

CASE

NUMBER:

99-045

HISTORY INDEX FOR CASE: 1999-045
ALTON WATER AND SEWER DISTRICT
Construct, Finance, Rates; 278.023

IN THE MATTER OF THE APPLICATION OF ALTON WATER DISTRICT OF
ANDERSON COUNTY, KENTUCKY, FOR A CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY TO CONSTRUCT, FINANCE AND INCREASE
RATES PURSUANT TO KRS 278.023

SEQ NBR	ENTRY DATE	REMARKS
0001	02/05/1999	Application.
0002	02/08/1999	Acknowledgement letter.
0003	02/16/1999	No def. letter
M0001	03/01/1999	RANDALL JONES ALTON WD-REQUEST TO SUSPEND REVIEW OF CASE UNTIL NEW BIDS HAVE BEEN TAKEN
0004	03/03/1999	Letter to all parties; suspends filing until approval filed; due 4/2
M0002	03/26/1999	RANDALL JONES ALTON WD-RD LETTER OF CONCURRENCE IN BID AWARD & ENGINEERS REVISED FINAL ENG
0005	04/21/1999	Final Order approving construction, financing and rates.
0006	06/14/1999	First reminder letter sent to James Smith re: outstanding tariff due 6/25.
0007	06/30/1999	Second reminder letter sent to James Smith; tariff due 7/15/99.

Z 467 302 318

US Postal Service
Receipt for Certified Mail
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RCR
99-095

Sent to	James Smith
Street & Number	PO Box 312
Post Office, State, & ZIP Code	LAWRENCEBURG, KY 40241
Postage	\$.33
Certified Fee	1.40
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	1.25
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$ 2.98
Postmark or Date	

PS Form 3800, April 1995



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
www.psc.state.ky.us
(502) 564-3940
Fax (502) 564-3460

Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

June 30, 1999

Mr. James Smith
Chairman
Alton Water District
P.O. Box 312
Lawrenceburg, KY 40342

Re: Case No. 99-045

Dear Mr. Smith:

This letter is to advise that Commission staff is preparing to recommend to the Commission that it initiate an investigation into Alton Water District's failure to comply with the Commission's Order of April 21, 1999. Specifically, the Commission ordered Alton Water District to submit revised tariffs no later than May 21, 1999. On June 14, 1999, the Commission staff requested that Alton Water District file its tariff. As of date, Alton Water District has not filed its tariff.

Please note that KRS 278.990(1) permits the Commission to take certain actions for failure to comply with Commission Orders. A copy of the statute is enclosed. To avoid further action in this matter, Alton Water District should file its tariff with the Commission by July 15, 1999. If you have questions concerning completing the tariff forms, please call the Commission Tariff Branch at 502/564-3940, extension 263 or 252.

Sincerely,

A handwritten signature in black ink, appearing to read "Helen C. Helton".

Helen C. Helton
Executive Director

rlm
Enclosures
First Class & Certified Mail
(Mailed 7/7/99)





COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
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Ronald B. McCloud, Secretary
Public Protection and
Regulation Cabinet

Helen Helton
Executive Director
Public Service Commission

Paul E. Patton
Governor

June 14, 1999

Mr. James Smith
Chairman
Alton Water District
P.O. Box 312
Lawrenceburg, KY 40342

Re: Case No. 99-045
Filing Requirements

Dear Mr. Smith:

The Commission entered its final Order in this case on April 21, 1999 approving certain tariff revisions. The Commission ordered Alton Water and Sewer District to submit revised tariffs no later than May 21, 1999. To date we have not received these tariffs. They must be filed to fully comply with the Commission's Order. Please submit two cover letters referencing the case number along with the original and three copies of the tariffs within ten days from the date of this letter. Blank tariff forms are enclosed for your convenience.

If you have questions concerning completing the forms, please contact our Tariff Branch at (502) 564-3940, extension 263 or 252.

Sincerely,
Stephanie Bell

Stephanie Bell
Secretary of the Commission

rlm
Enclosures



INDEX FOR CASE: 99-045
ALTON WATER AND SEWER DISTRICT
Construct, Finance, Rates; 278.023

IN THE MATTER OF THE APPLICATION OF ALTON WATER DISTRICT OF
ANDERSON COUNTY, KENTUCKY, FOR A CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY TO CONSTRUCT, FINANCE AND INCREASE
RATES PURSUANT TO KRS 278.023

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COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

CERTIFICATE OF SERVICE

RE: Case No. 99-045
ALTON WATER AND SEWER DISTRICT

I, Stephanie Bell, Secretary of the Public Service Commission, hereby certify that the enclosed attested copy of the Commission's Order in the above case was served upon the following by U.S. Mail on April 21, 1999.

See attached parties of record.

Stephanie J. Bell
Secretary of the Commission

SB/hv
Enclosure

James R. Smith
Chairman
Alton Water District
P. O. Box 312
Lawrenceburg, KY. 40342

Thomas G. Fern
State Director
Rural Development
771 Corporate Drive, Suite 200
Lexington, KY. 40503 5477

Terry L. Loper
Rural Development
1900 Mildland Trail
Shelbyville, KY. 40065 9113

Honorable William Patrick
Attorney at Law
138 South Main Street
Lawrenceburg, KY. 40342

David Bowles
Monarch Engineering
1009 Industry Road
Lawrenceburg, KY. 40342

Honorable W. Randall Jones
Attorney at Law
Rubin & Hays
First Trust Centre
200 South Fifth Street
Louisville, KY. 40202 3236

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ALTON WATER DISTRICT)
OF ANDERSON COUNTY, KENTUCKY, FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE AND) CASE NO. 99-045
NECESSITY TO CONSTRUCT, FINANCE AND)
INCREASE RATES PURSUANT TO KRS 278.023)

O R D E R

On March 26, 1999, Alton Water District ("Alton District") submitted an application for a Certificate of Public Convenience and Necessity to construct a \$436,000 sanitary sewer improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project consists of renovations and improvements to the existing sanitary sewer system. Project funding is a \$436,000 bond issue to be purchased pursuant to an agreement with the U. S. Department of Agriculture's Rural Development ("RD").

Alton District's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water utilities and the U. S. Department of Agriculture or the U. S. Department of Housing and Urban Development and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that minimum filing requirements were met in this case on March 26, 1999, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Alton District is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Alton District's proposed plan of financing with RD is accepted.

3. Alton District is authorized to issue bonds not to exceed \$436,000.

4. Alton District shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

5. The rates set out in Appendix A, which is attached hereto and incorporated herein, are the rates approved for service rendered on and after the date of this Order.

6. Alton District shall submit its revised tariff setting out the rates in Appendix A within 30 days of the date of this Order.

7. Three years from the effective date of this Order Alton District shall file an income statement, along with any pro forma adjustments, in sufficient detail to demonstrate that the rates approved herein are sufficient to meet its operating expenses and annual debt service requirements.

Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this 21st day of April, 1999.

By the Commission

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 99-045 DATED 4/21/99

The following rates and charges are prescribed for sewer customers in the area served by Alten Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

Monthly Bill

First 2,000 Gallons	\$ 14.54 Minimum Bill
All Over 2,000 Gallons	\$ 7.27 Per 1,000 Gallons

Rubin & Hays

ATTORNEYS AT LAW

First Trust Centre, 200 South Fifth Street, Louisville, Kentucky 40202-3236
Telephone (502) 569-7525 Telefax (502) 569-7555 Email: rh@rubinhays.com

CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

OF COUNSEL
WM. CARL FUST

PARALEGAL
MARY M. EMBRY

March 25, 1999

RECEIVED
MAR 26 1999
PUBLIC SERVICE
COMMISSION

Ms. Helen C. Helton
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Alton Water District, Case #99-045

Dear Ms. Helton:

Alton Water District has completed the rebidding of its Project and the Engineers bid tabulations have received concurrence from Rural Development.

Accordingly, we are filing herewith ten copies of the RD Letter of Concurrence in Bid Award and two copies of the Engineers Revised Final Engineering Report, pursuant to 807 KAR 5:069.

We request that this Case be reinstated and that the Commission issue its Final Order on or before April 26, 1999.

If you need any additional information or have any questions, please let us know.

Sincerely,

Rubin & Hays

By 
W. Randall Jones

WRJ:jlm
Enclosures
cc: Distribution List

DISTRIBUTION LIST

Account No. 1782.0000

Re: Alton Water District Water and Sewer Revenue Bonds, Series 1999

Mr. Thomas G. Fern
State Director
Rural Development
771 Corporate Drive, Suite 200
Lexington, Kentucky 40503-5477

Telephone: (606) 224-7336
Fax: (606) 224-7425

Mr. Terry L. Loper
Rural Development
1900 Midland Trail
Shelbyville, Kentucky 40065-9113

Telephone: (502) 633-0891
Fax: (502) 633-0552

Mr. James R. Smith
Alton Water District
1336 Alton Road
Lawrenceburg, Kentucky 40342

Telephone: (502) 839-5384

William Patrick, Esq.
Attorney at Law
138 South Main Street
Lawrenceburg, Kentucky 40342

Telephone: (502) 839-4527

Mr. David Bowles
Monarch Engineering
1009 Industry Road
Lawrenceburg, Kentucky 40342

Telephone: (502) 839-1310
Fax: (502) 839-1373

W. Randall Jones, Esq.
Rubin & Hays
First Trust Centre
200 S. Fifth Street
Louisville, Kentucky 40202

Telephone: (502) 569-7525
Fax: (502) 569-7555



United States
Department of
Agriculture

Rural
Development

1 Corporate Drive, Suite 200
Lexington, KY 40503-5477
(606) 224-7336 TTY(606) 224-7422

March 24, 1999

SUBJECT: Alton Water District
Concurrence in Contract Award

TO: Rural Development Manager
Shelbyville, Kentucky

RECEIVED

MAR 26 1999

PUBLIC SERVICE
COMMISSION

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of the subject contract to the low bidder, United Pipeline, Inc., in the amount of \$110,850.00.

Janet Hunter Brown
for

THOMAS G. FERN
State Director
Rural Development

cc: ✓ Rubin and Hays
Louisville, Kentucky

Monarch Engineering, Inc.
Lawrenceburg, Kentucky

RECEIVED

MAR 26 1999

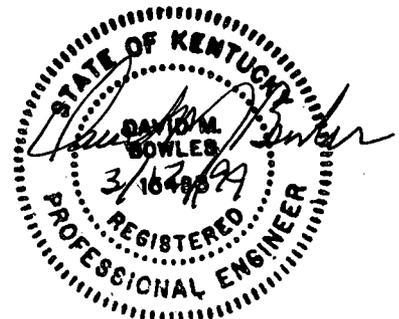
PUBLIC SERVICE
COMMISSION

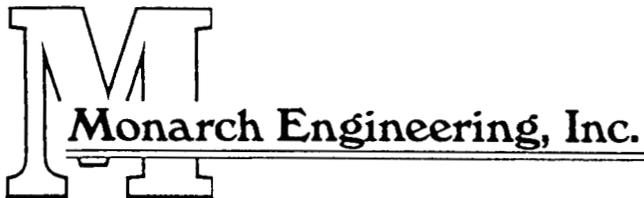
FINAL ENGINEERING REPORT

SEWER SYSTEM RENOVATION
ALTON WATER DISTRICT

MARCH 12, 1999

PREPARED BY
MONARCH ENGINEERING, INC.





March 12, 1999

Mr. James R. Smith
Alton Water District
P.O. Box 312
Lawrenceburg, KY 40342

Re: Sewer System Renovation

Dear Mr. Smith:

On March 12, 1999 bids were received for a second time by the Alton Water District for work which involved the renovation and rehabilitation of a portion of the sewer system. One bid was received and it was submitted by United Pipeline, Inc. located in Tompkinsville, KY, for an amount of \$110,850.00. Attached please find a copy of a summarized bid tabulation which outlines the items as bid.

As you are aware the plan for the future of the Water District's sewer system is to abandon the vacuum system in lieu of a conventional gravity collection system. Recently, the Water District was informed that they are to receive over \$2,000,000 which will be put forth to accomplish this plan. In developing the work which was bid, we took into account those items which were identified in the Preliminary Engineering Report, and addressed only those which are critical to the current operation. Those items of the report as shown in the preliminary cost estimates which will eventually be abandoned were not included.

In addition, as shown on the Final Project Budget, the Water District is to be reimbursed \$57,708.98 for costs incurred as a result of emergency improvements to the sewer system. These improvements were necessary in order to maintain operation of the sewer system and they are itemized in the attached correspondence.

Based on the bids submitted we recommend that a contract be entered into with United Pipeline, Inc. for the amount of \$110,850.00 contingent upon approval from Rural Development. Attached please find a copy of the Final Cost Estimate which outlines the budget as determined at this time. You will note there remains a considerable amount of contingency funds and we recommend that they be utilized for the abandonment of the

M

March 12, 1999

Page Two

vacuum system. As mentioned above, the Water District has recently been informed they are to receive a grant of approximately \$2,000,000 which is to be applied toward the replacement of the vacuum system in lieu of a conventional gravity collection type system. According to officials with the Kentucky Division of Water, who will be coordinating these funds, matching funds may be required. The amount of the matching funds is undetermined at this time but the Water District was informed that a part if not all of the Rural Development funds may be considered for this purpose. The determination regarding the amount of the matching funds should be made within the next two months. Therefore, until the match determination is made, we also recommend that contingency funds be withheld from expenditure until the match amount is determined. In the event the remaining funds are required to complete the grant match requirements, it is recommended that they be applied as such. In the event they are not required, we recommend they be used to finance construction in the form of abandoning a portion of the vacuum system.

Should you need additional information, please advise.

Sincerely

David M. Bowles, P.E.

/dmb

cc Terry Loper
Rural Development

Jane Brown
Rural Development

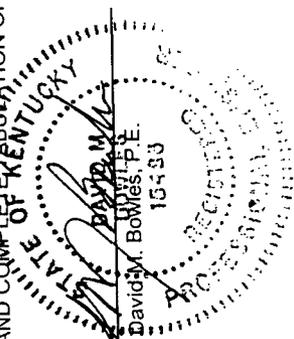
MONARCH ENGINEERING, INC.
 1009 Industry Road
 Lawrenceburg, KY 40342
 Phone (502) 839-1310
 Fax (502) 839-1373

BID TAULATIONS
ALTON WATER & SEWER DISTRICT
SEWER SYSTEM REHABILITATION
CITY OF LAWRENCEBURG, KENTUCKY
BID DATE: MARCH 9, 1999

ITEM NO.	DESCRIPTION	QUANTITY	UNIT PRICE	TOTAL COST
	United Pipeline, Inc. P.O. Box 728 Tompkinsville, KY 42167			
	BASE CONTRACT			
	FORCE MAIN NUMBER 2			
1	Clean 6-inch Force Main	3,300 LF	2.50 \$	8,250.00
2	Clean 4-inch Force Main	7,800 LF	2.00	15,600.00
3	Furnish and Install 4-inch Line Stop Valve	1 EA	4,500.00	4,500.00
	FORCE MAIN NUMBER 3			
4	Clean 6-inch Force Main	3,700 LF	2.50	9,250.00
	FORCE MAIN NUMBER 4			
5	Clean 4-inch Force Main	4,200 LF	2.00	8,400.00
6	Furnish and Install 4-inch Line Stop Valve	1 EA	4,500.00	4,500.00
	FORCE MAIN NUMBER 5			
7	Clean 4-inch Force Main	2,200 LF	2.00	4,400.00
8	Furnish and Install 4-inch Line Stop Valve	1 EA	4,500.00	4,500.00
	FLORIDA TILE FORCE MAIN			
9	4-inch PVC SDR 21	250 LF	11.00	2,750.00
10	Bore & Case for 4-inch Sewer Line	130 LF	90.00	11,700.00
11	4-inch Gate Valve	1 EA	500.00	500.00
12	Connections	2 EA	500.00	1,000.00
	LIFT STATION @ GENERAL CABLE			
13	Replace Entire Lift Station	1 LS	35,500.00	35,500.00
	TOTAL BASE CONTRACT			110,850.00

THE ABOVE IS A TRUE AND COMPLETE REPRESENTATION OF BIDS RECEIVED AT 8:00 A.M., LOCAL TIME, TUESDAY, MARCH 9, 1999 AT OFFICES OF THE ALTON WATER DISTRICT, LAWRENCEBURG, KY.

BY: *[Signature]* DATE: 3/12/99



**FINAL PROJECT BUDGET
SEWER SYSTEM RENOVATION
ALTON WATER DISTRICT
ANDERSON COUNTY, KENTUCKY**

MARCH 12, 1999

PROJECT COSTS:

DEVELOPMENT	\$110,850.00
CONTINGENCY	213,571.68
ENGINEERING	14,188.80
INSPECTION	12,980.54
INTEREST	15,000.00
LAND & RIGHTS	4,000.00
LEGAL & ADMINISTRATIVE	7,700.00
WATER DISTRICT REIMBURSEMENT	57,708.98
TOTAL PROJECT COST	<u><u>\$436,000.00</u></u>

PROJECT FINANCING:

RURAL DEVELOPMENT LOAN	<u><u>\$436,000.00</u></u>
TOTAL PROJECT FINANCING	\$436,000.00

ALTON WATER & SEWER DISTRICT

107 North Main Street - P. O. Box 312
Lawrenceburg, KY 40342
(502) 839-5384

December 17, 1998

Mr. Terry Loper
Rural Development
U.S. 60 West
Shelbyville, KY 40065

Re: Alton Water & Sewer District
Sewer Rehabilitation

Dear Mr. Loper:

Please consider this correspondence as a request to use project funds for reimbursement to the Water District for work that was to be done as a part of the sewer system renovation. As you are aware we have experienced difficulty in operating our vacuum system, particularly vacuum station number 3. Referring back to the Preliminary Engineering Report, specifically the Preliminary Cost Estimate, the renovation of that station was listed as one area where work was to be performed. Due to ongoing operational problems with that station we could not wait until the project was bid and thus the Water District was forced to secure a loan from the local bank to repair the station. The work consisted of upgrading the power to three phase current and converting the motors to be compatible. Please find below an itemized list of the costs incurred along with verification of the charges.

ITEM	DESCRIPTION	COST
1	Kentucky Utilities-Convert single phase power to three phase power	\$35,389.00
2	Bell South-Relocate telephone service that was affected by the renovation to the Kentucky Utilities system	7,041.31
3	Mosier Pump-Replace one pump that was inoperable	7,526.75
4	Lexington Industrial-Convert remaining pumps to three phase power	1,559.35
5	Arts Electric-Convert exterior wiring to be compatible for three phase power	3,038.07

December 17, 1998

Page Two

6	Arts Electric-Convert interior wiring to be compatible with three phase power	3,154.50
	TOTAL	\$57,708.98

Based on our engineer's recommendation for the final budget it appears that we have enough contingency funds to reimburse the Water District without affecting the project that was bid. The loan which was acquired for these expenses is currently outstanding and will continue to remain until we can access project funds which would be used to retire the debt.

Your consideration would be greatly appreciated and should you need additional information, please do not hesitate to contact me.

Sincerely,

James R. Smith
Chairman

ALTON SEWER
P.O. BOX 312
LAWRENCEBURG, KY 40342

3153

6-19 1998

73-273/421
01

PAY
TO THE
ORDER OF

Kentucky Utilities

\$ 35,389 ⁰⁰/₁₀₀

Thirty Five Thousand Three Hundred Eighty Nine & 00/100

PAID

DOLLARS

The Anderson National Bank
Lawrenceburg, KY 40342

280598 JUN 23 98

Cashier payable at 3, McCormick Lane

73-273

Jan F. Mel

⑈003553⑈ ⑈042102733⑈

5/4 11

⑈00035538900⑈

FOR DEPOSIT ONLY
KENTUCKY UTILITIES CO.

DO NOT WRITE, STAMP OR SIGN BELOW THIS LINE.
RESERVED FOR FINANCIAL INSTITUTION USE

JUN 19 2 36

THE PROGRESSIVE BANK, N.A.
LAWRENCEBURG, KY
(606) 699-2701

⑈042102733⑈

53:23:93

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U.S. Patent No. 5,510,199

ORIGINAL

Security enhanced document. See back for details.

6917

ALTON WATER
P.O. BOX 312
LAWRENCEBURG, KY 40342

DATE 3-20-98

73-213/421
01

PAY
TO THE
ORDER OF

Bill South - Manager Bills
Seven Thousand Forty One Dollars & 31/100 \$ 7,041.31 DOLLARS



The Anderson National Bank
Lawrenceburg, Ky 40342

FOR DEPOSIT ONLY
85F10332B

⑈006917⑈ ⑆042102733⑆ 300 003 6⑈

MOSIER

FLUID POWER

Company Address Alton Water & Sewer
Lawrenceburg

ATTN: Buddy Smith

Quotation No.	M00001
Date:	10/20/98
Quote valid for 30 days	

Your R.F.O. No.	Delivery	F.O.B.	Terms	Our Sales Engr
	UPS	Mosier	30 days	Mark Roberts

We are pleased to submit the following quotation for your consideration:

Item	Qty	Description	Price	Total
RC0250C406100	1	Busch R5 vacuum pump, single-stage, direct-driven, multi-vaned pump without motor or starter. Exhaust filters and exhaust pressure Service block included on "C" version of pump Pump shipped without oil. Guaranteed end pressure of 29.3" hg Hp=10, cfm=180	\$7,526.75	

Thank you for the opportunity of quoting your requirements,
and if we may be of any assistance please contact us.
We look forward to receipt of your purchase order.

Signature

ALTON SEWER
P.O. BOX 512
LAWRENCEBURG, KY 40342

3306

9-21 1998

75-275/421
01

PAY TO THE ORDER OF

Lexington Industrial

\$ 1559 ³⁵/₁₀₀

One Thousand Five Hundred Fifty Nine Dollars & 35/100

DOLLARS

The Anderson National Bank
Lawrenceburg, Ky 40342

090172649 02 092393 5792

Jack White

FOR DEPOSIT ONLY
Invoice # 7091

⑆003306⑆ ⑆042102733⑆ 101 524 1⑆ ⑆0000155435⑆

ALTON SEWER
P.O. BOX 512
LAWRENCEBURG, KY 40342

3393

11-23 1998

75-275/421
01

PAY TO THE ORDER OF

Art's Electric

\$ 3038 ⁰⁷/₁₀₀

Three Thousand Thirty Eight Dollars & 07/100

DOLLARS

The Anderson National Bank
Lawrenceburg, Ky 40342

012391500 02 022553 5730

Jack White

FOR DEPOSIT ONLY
Invoice # 113271, 113272, 11327

⑆003343⑆ ⑆042102733⑆ 101 524 1⑆ ⑆0000303807⑆

Security enhanced document. See back for details.

ALTON WATER
P.O. BOX 312
LAWRENCEBURG, KY 40342

7282

DATE 10-1-98

73-273/421
01

PAY
TO THE
ORDER OF

Art's Electric

\$ 3154⁵⁰/₁₀₀

Three thousand one hundred fifty four dollars & 50/100

DOLLARS

The Anderson National Bank
Lawrenceburg, Ky 40342

040371427 02 100553

Jack White

FOR DEPOSIT ONLY
Account # 2480

⑆007282⑆ ⑆042602733⑆ 300 003 6⑆ ⑆0000315450⑆



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KENTUCKY 40602
(502) 564-3940

March 3, 1999

To: All parties of record

RE: Case No. 99-045
ALTON WATER AND SEWER DISTRICT

The attorney for the Applicant has notified the Commission by letter received March 1, 1999 that the construction bid process on the above referenced case has not been accepted by Rural Development, U.S.D.A. Therefore, the filing does not meet the requirements of 807 KAR 5:069 and is hereby suspended until approval from Rural Development, U.S.D.A. is filed with this office. This supersedes the Commission's letter, regarding minimum filing requirements, dated February 16, 1999.

The statutory time period in which the Commission must process this case will not commence until the above-mentioned information is filed with the Commission. You are requested to file 10 copies of this information within 30 days of the date of this letter.

If you need further information, please contact James D. Rice of my staff at (502) 564-3940, Ext. 411.

Sincerely,
Stephanie Bell

Stephanie Bell
Secretary of the Commission

SB:JDR:aem

Enclosure

Rubin & Hays

ATTORNEYS AT LAW

First Trust Centre, 200 South Fifth Street, Louisville, Kentucky 40202-3236
Telephone (502) 569-7525 Telefax (502) 569-7555 Email: rh@rubinhays.com

RECEIVED

MAR - 1 1999

PUBLIC SERVICE
COMMISSION

CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

February 26, 1999

OF COUNSEL
WM. CARL FUST

PARALEGAL
MARY M. EMBRY

Ms. Helen C. Helton
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Alton Water District, Case #99-045

Dear Ms. Helton:

Alton Water District filed an Application with the Commission on February 16, 1999 and was assigned Case #99-045. The Application was submitted pursuant to KRS 278.023 and requested an Order granting a Certificate of Public Convenience and Necessity to construct a project; approving financing and increased rates.

It has been determined that the construction project was not advertised in accordance with Kentucky law and Rural Development is requiring that said project be rebid after the necessary advertisement has been published in the appropriate newspapers. This raises the possibility that the Contractor and the amount of the Contract may change.

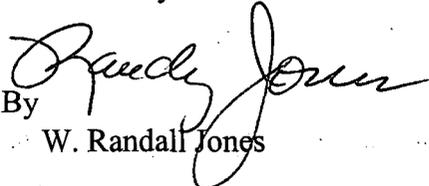
Accordingly, we are requesting that the Commission suspend its review of the above Case until new bids have been taken and Rural Development issues its letter concurring in the award of the new bids. We will file such letter with the Commission as soon as it is available. At that time, we will request that the Commission continue its review of the Case and issue its Order as soon as possible thereafter.

If you need any additional information or have any questions, please let us know.

Sincerely,

Rubin & Hays

By


W. Randall Jones

WRJ:jlm
Enclosures
cc: Distribution List

DISTRIBUTION LIST

Account No. 1782.0000

Re: Alton Water District Water and Sewer Revenue Bonds, Series 1999

Mr. Thomas G. Fern
State Director
Rural Development
771 Corporate Drive, Suite 200
Lexington, Kentucky 40503-5477

Telephone: (606) 224-7336
Fax: (606) 224-7425

Mr. Terry L. Loper
Rural Development
1900 Midland Trail
Shelbyville, Kentucky 40065-9113

Telephone: (502) 633-0891
Fax: (502) 633-0552

Mr. James R. Smith
Alton Water District
1336 Alton Road
Lawrenceburg, Kentucky 40342

Telephone: (502) 839-5384

William Patrick, Esq.
Attorney at Law
138 South Main Street
Lawrenceburg, Kentucky 40342

Telephone: (502) 839-4527

Mr. David Bowles
Monarch Engineering
1009 Industry Road
Lawrenceburg, Kentucky 40342

Telephone: (502) 839-1310
Fax: (502) 839-1373

W. Randall Jones, Esq.
Rubin & Hays
First Trust Centre
200 S. Fifth Street
Louisville, Kentucky 40202

Telephone: (502) 569-7525
Fax: (502) 569-7555



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

February 16, 1999

To: All parties of record

RE: Case No. 99-045
ALTON WATER AND SEWER DISTRICT

The Commission staff has reviewed your application in the above case and finds that it meets the minimum filing requirements. Enclosed please find a stamped filed copy of the first page of your filing. This case has been docketed and will be processed as expeditiously as possible.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

Stephanie Bell

Stephanie Bell
Secretary of the Commission

SB/sa
Enclosure

James R. Smith
Chairman
Alton Water District
P. O. Box 312
Lawrenceburg, KY. 40342

Thomas G. Fern
State Director
Rural Development
771 Corporate Drive, Suite 200
Lexington, KY. 40503 5477

Terry L. Loper
Rural Development
1900 Mildland Trail
Shelbyville, KY. 40065 9113

Honorable William Patrick
Attorney at Law
138 South Main Street
Lawrenceburg, KY. 40342

David Bowles
Monarch Engineering
1009 Industry Road
Lawrenceburg, KY. 40342

Honorable W. Randall Jones
Attorney at Law
Rubin & Hays
First Trust Centre
200 South Fifth Street
Louisville, KY. 40202 3236

Rubin & Hays

99-00083

ATTORNEYS AT LAW

First Trust Centre, 200 South Fifth Street, Louisville, Kentucky 40202-3236
Telephone (502) 569-7525 Telefax (502) 569-7555 Email: rh@rubinhays.com

CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

OF COUNSEL
WM. CARL FUST

PARALEGAL
MARY M. EMBRY

February 4, 1999

FILED

FEB 05 1999

PUBLIC SERVICE
COMMISSION

RECEIVED

FEB 5 1999

PUBLIC SERVICE
COMMISSION

Ms. Helen C. Helton
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Alton Water District

Case No. 99-045

Dear Ms. Helton:

Enclosed please find the original and ten (10) copies of the Application of the Alton Water District for a Certificate of Public Convenience and Necessity to construct, finance and increase rates pursuant to KRS 278.023.

Also enclosed are eleven (11) copies of the exhibits required pursuant to 807 KAR 5.069, with the exception of the Preliminary and Final Engineering Reports, of which two copies are enclosed.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays



By

W. Randall Jones

WRJ:jlm
Enclosures
cc: Distribution List



COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION

730 SCHENKEL LANE
POST OFFICE BOX 615
FRANKFORT, KY. 40602
(502) 564-3940

February 8, 1999

To: All parties of record

RE: Case No. 99-045
ALTON WATER AND SEWER DISTRICT
(Construct, Finance, Rates; 278.023)

This letter is to acknowledge receipt of initial application in the above case. The application was date-stamped received February 5, 1999 and has been assigned Case No. 99-045. In all future correspondence or filings in connection with this case, please reference the above case number.

If you need further assistance, please contact my staff at 502/564-3940.

Sincerely,

A handwritten signature in cursive script that reads "Stephanie Bell".

Stephanie Bell
Secretary of the Commission

SB/jc

James R. Smith
Chairman
Alton Water District
P. O. Box 312
Lawrenceburg, KY. 40342

Thomas G. Fern
State Director
Rural Development
771 Corporate Drive, Suite 200
Lexington, KY. 40503 5477

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CHARLES S. MUSSON
W. RANDALL JONES
CHRISTIAN L. JUCKETT

OF COUNSEL
WM. CARL FUST

PARALEGAL
MARY M. EMBRY

February 4, 1999

FILED

FEB 05 1999

PUBLIC SERVICE
COMMISSION

RECEIVED

FEB 5 1999

PUBLIC SERVICE
COMMISSION

Ms. Helen C. Helton
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, Kentucky 40602

Re: Alton Water District

Case No. 99-045

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Also enclosed are eleven (11) copies of the exhibits required pursuant to 807 KAR 5.069, with the exception of the Preliminary and Final Engineering Reports, of which two copies are enclosed.

If you need any additional information or documentation, please let us know.

Sincerely,

Rubin & Hays


By
W. Randall Jones

WRJ:jlm
Enclosures
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DISTRIBUTION LIST

Account No. 1782.0000

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Ms. Kim Knight
Alton Water District
P.O. Box 312
Lawrenceburg, Kentucky 40342

Telephone: (502) 839-5384

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Louisville, Kentucky 40202

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Fax: (502) 569-7555

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

RECEIVED
FEB 5 1999
PUBLIC SERVICE
COMMISSION

In the Matter of:

THE APPLICATION OF ALTON WATER DISTRICT)
OF ANDERSON COUNTY, KENTUCKY, FOR A)
CERTIFICATE OF PUBLIC CONVENIENCE AND) NO. 99-045
NECESSITY TO CONSTRUCT, FINANCE AND)
INCREASE RATES PURSUANT TO KRS 278.023)

A P P L I C A T I O N

This Application of the Alton Water District ("Applicant") of Anderson County, Kentucky, respectfully shows:

1. That Applicant is a water district of Anderson County, Kentucky, created and existing under and by virtue of Chapter 74 of the Kentucky Revised Statutes.

2. That the post office address of Applicant is:

Alton Water District
c/o Mr. James R. Smith, Chairman
P.O. Box 312
Lawrenceburg, Kentucky 40342

3. That Applicant, pursuant to the provisions of KRS 278.020 and 278.023, seeks (i) a Certificate of Public Convenience and Necessity, permitting Applicant to construct a sewer construction project, consisting of renovations and improvements (the "Project") to the existing sewer system of Applicant; (ii) an Order approving increased rates; and (iii) approval of the proposed plan of financing said Project.

4. That the Project consists of the construction of renovations and improvements to the existing sewer system of the Applicant, including the installation of approximately 21,500 linear feet of force main and the replacement of a lift station.

5. That Applicant proposes to finance the construction of the Project through the issuance of \$436,000 of its Water and Sewer Revenue Bonds. Applicant has a commitment from the Rural Development ("RD") to purchase said \$436,000 of bonds maturing over a 40-year period,

at an interest rate of not exceeding 5.125% per annum, as set out in the RD Letter of Conditions filed herewith as an Exhibit.

6. That Applicant does not contemplate having the Project constructed with any deviation from minimum construction standards of this Public Service Commission.

7. That Applicant files herewith the following Exhibits pursuant to 807 KAR 5:069 in support of this Application:

- A. Copy of RD Letter of Conditions.
- B. Copy of RD Letter of Concurrence in Bid Award.
- C. Copy of Preliminary and Final Engineering Reports.
- D. Certified statement from the Chairman of Applicant, based upon statements of the Engineers for Applicant, concerning the following:
 - (1) The proposed plans and specifications for the Project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5:066 Section 4(3) and (4); Section 5(1); Sections 6 and 7; Section 8(1) through (3); Section 9(1) and Section 10.
 - (2) All other state approvals or permits have already been obtained;
 - (3) The proposed rates of Applicant shall produce the total revenue requirements set out in the engineering reports; and
 - (4) Setting out the dates when it is anticipated that construction will begin and end.

8. That Applicant has arranged for the publication, prior to or at the same time this Application is filed, of a Notice of Proposed Rate Increase pursuant to Section 4 of 807 KAR 5:069, in the *Anderson News*, which is a newspaper of general circulation in Applicant's service area and in Anderson County, Kentucky. Said Notice sets out the current rates and the proposed rates of Applicant and a short description of the Project. A copy of said Notice is filed herewith as an Exhibit.

9. That the foregoing constitutes the documents necessary to obtain the approval of the Public Service Commission in accordance with Section 278.023 of the Kentucky Revised Statutes and in accordance with the "Minimum Filing Requirements" specified in 807 KAR 5:069, Section 3.

WHEREFORE, Applicant, the Alton Water District, asks that the Public Service Commission of the Commonwealth of Kentucky grant to Applicant the following:

- a. A Certificate of Public Convenience and Necessity permitting Applicant to construct a sewer project consisting of renovations and improvements to the existing sewer system of Applicant.
- b. An Order approving the financing arrangements made by Applicant, viz., the issuance of \$436,000 of Alton Water District Water and Sewer Revenue Bonds at an interest rate of not exceeding 5.125% per annum.
- c. An Order approving the proposed increased rates as set out in Section 22 of the RD Letter of Conditions, filed herewith as an Exhibit.

ALTON WATER DISTRICT

By: James R. Smith
Chairman
Board of Water Commissioners

W. Randall Jones
W. Randall Jones, Esq.
Rubin & Hays
Counsel for Applicant
First Trust Centre
200 South Fifth Street
Louisville, Kentucky 40202
(502) 569-7525



May 19, 1998

Mr. James R. Smith
Chairman, Alton Water and Sewer District
107 North Main Street
Lawrenceburg, Kentucky 40342

Dear Mr. Smith:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to the application. The (loan and/or grant) will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area office staff of USDA, Rural Development. Any changes in project cost, source of funds, scope of services or any other significant changes in the project or applicant must be reported to and approved by USDA, Rural Development, by written amendment to this letter. Any changes not approved by Rural Development shall be cause for discontinuing processing of the application. It should also be understood that Rural Development is under no obligation to provide additional funds to meet an overrun in construction costs.

This letter is not to be considered as loan approval or as a representation as to the availability of funds. The docket may be completed on the basis of a RUS loan not to exceed \$436,000.

If Rural Development makes the loan, you may make a written request that the interest rate be the lower of the rate in effect at the time of loan approval or the time of loan closing. If you do not request the lower of the two interest rates, the interest rate charged will be the rate in effect at the time of loan approval. The loan will be considered approved on the date a signed copy of Form RD 1940-1, "Request for Obligation of Funds," is mailed to you. If you want the lower of the two rates, your written request should be submitted to Rural Development as soon as practical. In order to avoid possible delays in loan closing, such a request should ordinarily be submitted at least 30 days before loan closing.

Please complete and return the attached Form RD 1942-46, "Letter of Intent to Meet Conditions," if you desire that further consideration be given to your application.

The "Letter of Intent to Meet Conditions" must be executed within three weeks from the date of this letter or it becomes invalid unless a time extension is granted by Rural Development.

If the conditions set forth in this letter are not met within 240 days from the date hereof, Rural Development reserves the right to discontinue the processing of the application.

In signing Form RD 1942-46, you are agreeing to complete the following as expeditiously as possible:

1. Number of Users and Their Contribution:

There shall be 930 existing water users and 506 existing sewer users. The Rural Development Manager will review and authenticate the number of users prior to advertising for construction bids.

No contribution is required from the Water District.

2. Repayment Period:

The loan will be scheduled for repayment over a period not to exceed 40 years from the date of the bond. Principal payment will not be deferred for a period in excess of two (2) years from the date of the bond. Payments will be in accordance with applicable KRS which requires interest to be paid semi-annually (January 1st and July 1st) and principal will be due on or before the first of January. Rural Development may require the Water District to adopt a supplemental payment agreement providing for monthly payments of principal and interest so long as the bond is held or insured by RUS. Monthly payments will be approximate amortized installments.

Rural Development encourages the use of the Preauthorized Debit (PAD) payment process, which authorizes the electronic withdrawal of funds from your bank account on the exact installment payment due date (contact the Rural Development Manager for further information).

3. Funded Depreciation Reserve Account:

The Water District will be required to deposit \$220 per month into a "Funded Depreciation Reserve Account". The monthly deposits are for the life of the loan.

The required deposits to the Reserve Account are in addition to the requirements of the Water District's prior bond resolutions.

The annual deposit to the Reserve Account are required to commence the first full fiscal year after the facility becomes operational.

4. Security Requirements:

A combined pledge of gross water and sewer revenues will be provided in the Bond Resolution. Bonds shall rank on a parity with existing bonds, if possible. If this is not possible, the bond will be subordinate and junior to the existing bonds, in which case the Water District will be required to abrogate its right to issue additional bonds ranking on a parity with the existing bonds, so long as any unpaid indebtedness remains on this bond issue.

5. Land Rights and Real Property:

The Water District will be required to furnish satisfactory title, easements, etc., necessary to install, maintain and operate the facility to serve the intended users. The pipelines will be on private rights-of-way where feasible. Easements and options are to be secured prior to advertising for construction bids.

6. Organization:

The Water District will be legally organized under applicable KRS which will permit them to perform this service, borrow and repay money.

7. Business Operations:

The Water District will be required to operate the system under a well-established set of resolutions, rules and regulations. A budget must be established annually and adopted by the Water District after review by Rural Development. At no later than loan pre-closing, the Water District will be required to furnish a prior approved management plan to include, as a minimum, provisions for management, maintenance, meter reading, miscellaneous services, billing, collecting, bookkeeping, making and delivering required reports and audits.

8. Accounts, Records and Audits:

The Water District will be required to maintain adequate records and accounts and submit statistical and financial reports, quarterly and annually, in accordance with subsection 1780.47 of RUS Instruction 1780 and RUS Staff Instruction 1780-4, a copy of which is enclosed. The enclosed audit booklet will be used as a guide for preparation of audits. The Water District will be required to establish and maintain separate accounts for each system. Annual audits, budgets, and reports will be submitted to Rural Development showing separate accounts. The Water District shall be required to submit a copy of its audit agreement for review and approval prior to pre-closing the loan. The Water District shall obtain the assistance of its accountant to establish the Water District's accounting system. Rural Development approval of the accounting system is required.

9. Accomplish Audits for Years in Which Federal Financial Assistance is Received:

The Water District will accomplish audits in accordance with OMB Circular A-133, during the years in which federal funds are received. The Water District will provide copies of the audits to the Area Office and the appropriate Federal cognizant agency as designated by OMB Circular A-133.

10. Insurance and Bonding:

The following insurance and bonding will be required:

- A. Adequate Liability and Property Damage Insurance including vehicular coverage, if applicable, must be obtained and maintained by the Water District. The Water District should obtain amounts of coverage as recommended by its attorney, consulting engineer and/or insurance provider.
- B. Worker's Compensation - The Water District will carry worker's compensation insurance for employees in accordance with applicable state laws.
- C. Fidelity Bond - The Water District will provide Fidelity Bond Coverage for all persons who have access to funds. Coverage may be provided either for all individual positions or persons, or through "blanket" coverage providing protection for all appropriate employees and/or officials. The amount of coverage required for all RUS loans is \$122,000.
- D. Real Property Insurance - The Water District will obtain and maintain adequate fire and extended coverage on all structures including major items of equipment or machinery located in the structures. The amounts of coverage should be based on recommendations obtained by the Water District from its attorney, consulting engineer and/or insurance provider. Subsurface lift stations do not have to be covered except for the value of electrical and pumping equipment therein.
- E. Flood Insurance - The Water District will obtain and maintain adequate coverage on any facilities located in a special flood and mudslide prone areas.

11. Planning and Performing Development:

- A. The engineer should not be authorized to commence work on final plans and specifications until a determination has been made that the project can be planned and constructed within the estimated cost shown in paragraph "20" of this letter. When this determination has been made, Rural Development should be so advised by letter. The engineer may then proceed to develop final plans and specifications to be completed no later than 210 days from this date, and prepare bid documents. The Rural Development Manager is prepared to furnish the necessary guide for him to follow so as to keep the project plans and documents within our guidelines and requirements. The project should not be advertised for construction bids until all easements and enforceable options have been obtained, and total funds are committed or available for the project.

B. The following documents will be submitted to Rural Development for review and must be concurred in by Rural Development prior to advertisement for construction bids:

1. Final plans, specifications and bid documents.
2. Applicant's letter on efforts to encourage small business and minority-owned business participation.
3. Legal Service Agreements.
4. Engineering Agreements.

Revision in these documents will be subject to Rural Development concurrence. Any agreements, contracts, etc. not reviewed and approved by Rural Development will not be eligible for payment from project funds or revenues from facilities financed by this Agency.

Prior to receipt of an authorization to advertise for construction bids, the Water District will obtain advance clearance from Bond Counsel regarding compliance with KRS 424 pertaining to publishing of the advertisement for construction bids in local newspapers and the period of time the notice is required to be published.

12. Compliance with Section 504 of the Rehabilitation Act of 1973:

The Water District will be required to comply with Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), in order to make sure no handicapped individual, solely by reason of their handicap, is excluded from participation in the use of the sewer system, be denied the benefits of the sewer system, or be subjected to discrimination.

13. Closing Instructions:

The Office of General Counsel, our Regional Attorney, will be required to write closing instructions in connection with this loan. Conditions listed therein must be met by the Water District.

14. Compliance with Special Laws and Regulations:

The Water District will be required to conform with any and all state and local laws and regulations affecting this type project.

15. Treatment Plant/System Operator:

The Water District is reminded that the treatment plant and/or system operator must have an Operator's Certificate issued by the State.

16. Prior to Pre-Closing the Loan, the Water District will be Required to Adopt:

- A. Form RD 1942-47, "Association Loan Resolution (Public Body)."
- B. Form RD 400-1, "Equal Opportunity Agreement."
- C. Form RD 400-4, "Assurance Agreement."
- D. Form AD-1047, "Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transaction."
- E. Form RD 1910-11, "Applicant Certification Federal Collection Policies for Consumer or Commercial Debts."
- F. FmHA Instruction 1940-Q, Exhibit A-1, "Certification for Contracts, Grants and Loans."

The Water District must offer the opportunity for all residents in the service area to become users of the facilities regardless of race, creed, color, religion, sex, national origin, marital status, physical or mental handicap or level of income.

17. Refinancing and Graduation Requirements:

The Water District is reminded that if at any time it shall appear to the Government that the Water District is able to refinance the amount of the RUS indebtedness then outstanding, in whole or in part, by obtaining a loan from commercial sources at reasonable rates and terms, upon the request of the Government, the Water District will apply for and accept such loan in sufficient amount to repay the Government.

18. Commercial Interim Financing:

The Water District will be required to use commercial interim financing for the project during construction for the RUS loan portion of the financing, if available at reasonable rates and terms.

Before the loan is closed, the Water District will be required to provide Rural Development with statements from the contractor, engineer and attorneys that they have been paid to date in accordance with their contract or other agreements and, in the case of the contractor, that he has paid his suppliers and sub-contractors.

19. Disbursement of Project Funds:

A construction account for the purpose of disbursement of project funds (RUS) will be established by the Water District prior to start of construction. The position of officials entrusted with the receipt and disbursement of RUS project funds will be covered by a "Fidelity Bond," with USDA-Rural Development as Co-Obligee, in the amount of construction funds on hand at any one time during the construction phase.

During construction, the Water District shall disburse project funds in a manner consistent with subsection 1780.76 (e) of RUS Instruction 1780. Form RD 1924-18, "Partial Payment Estimate," or similar form approved by Rural Development, shall be used for the purpose of documenting periodic construction estimates, and shall be submitted to Rural Development for review and acceptance. Prior to disbursement of funds by the Water District, the Board of Directors shall review and approve each payment estimate. All bills and vouchers must be approved by Rural Development prior to payment by the Water District.

Form RD 440-11, "Estimate of Funds Needed for 30-Day Period Commencing _____," will be prepared by the Water District and submitted to Rural Development in order that a periodic advance of federal cash may be requested.

Monthly audits of the Water District's construction account records shall be made by Rural Development.

20. Cost of Facility:

Breakdown of Costs:

Development	\$ 301,000
Land and Rights	4,000
Legal and Administrative	7,700
Engineering	78,300
Interest	15,000
Contingencies	<u>30,000</u>
TOTAL	\$ 436,000

Financing:

RUS Loan	\$ <u>436,000</u>
TOTAL	\$ 436,000

21. Use of Remaining Project Funds:

After providing for all authorized costs, any remaining project funds will be RUS loan funds and refunded to RUS.

22. Rates and Charges:

Rates and charges for facilities and services rendered by the Water District must be at least adequate to meet cost of maintaining, repairing and operating the water and sewer systems and meeting required principal and interest payments and the required deposits to debt service and/or depreciation reserve.

Water rates will be at least:

First	2,000	gallons @ \$	11.80 - Minimum Bill.
Next	2,000	gallons @ \$	4.95 - per 1,000 gallons.
Next	2,000	gallons @ \$	4.20 - per 1,000 gallons.
Next	4,000	gallons @ \$	3.40 - per 1,000 gallons.
All Over	10,000	gallons @ \$	2.80 - per 1,000 gallons.

New water customers on the Phase I Water Project will pay a surcharge of \$ 19.50 per month.

Sewer rates will be at least:

Minimum Bill - \$	14.54	for first	2,000	gallons.
All Over	2,000	gallons @ \$	7.27	- per 1,000 gallons.

23. Sewage Treatment Contract:

The Water District will submit a Sewage Treatment Contract for approval by Rural Development before advertising for construction bids. The contract must meet the requirements of subsection 1780.63 of RUS Instruction 1780.

24. Floodplain Construction:

The Water District will be required to pass and adopt a Resolution or amend its By-Laws whereby the Water District will deny any water service to any future customer wishing to build on or develop property located within a designated floodplain. If a customer or developer requests service for construction in a designated floodplain, the customer or developer must provide evidence and a justification for approval by the Water District and Rural Development officials that there are no other alternatives to construction or development within the designated floodplain. The community must be a participant in the National Flood Insurance Program (NFIP) and the customer or developer must obtain the required permits prior to the tap on restrictions being waived.

25. Final Approval Conditions:

Final approval of this loan will depend on your willingness, with the assistance of all your co-workers, to meet the conditions of this letter in an orderly and systematic manner. Then too, final approval will depend on funds being available.

In accordance with the intent of Congress as expressed in the FY 1998 Appropriations Act, recipients of Water and Waste assistance provided by the Rural Utilities Service are encouraged, in expending the assistance, to purchase only American-made equipment and products.

If you desire to proceed with your application, the Rural Development Manager will allot a reasonable portion of his time to provide guidance in application processing.

Sincerely,


THOMAS G. FERN
State Director
Rural Development

Enclosures

- cc: Rural Development Manager - Shelbyville, Kentucky
Community Development Manager - Nicholasville, Kentucky
Bluegrass ADD - Lexington, Kentucky
William Patrick - Lawrenceburg, Kentucky
Rubin and Hays - Louisville, Kentucky
✓ Monarch Engineering, Inc. - Lawrenceburg, Kentucky
PSC - ATTN: Claude Rhorer - Frankfort, Kentucky



February 3, 1999

SUBJECT: Alton Water and Sewer District
Concurrence in Contract Award

TO: Rural Development Manager
Shelbyville, Kentucky

Based on the bids received and the recommendation of the consulting engineer, Rural Development concurs in the award of the subject contract to the low bidder, United Pipeline, Inc., in the amount of \$105,350.00.

Jane Hunter Brown
for THOMAS G. FERN
State Director
Rural Development

cc: Ruben and Hays
Louisville, Kentucky

Monarch Engineering, Inc.
Lawrenceburg, Kentucky

Rural Development is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

**CERTIFICATE OF CHAIRMAN OF ALTON WATER DISTRICT,
AS TO STATEMENT REQUIRED BY SECTION 3(2)(D) OF 807 KAR 5:069**

I, James R. Smith, hereby certify that I am the duly qualified and acting Chairman of the Alton Water District of Anderson County, Kentucky, and that said District is in the process of arranging to finance the construction of extensions, additions and improvements to the existing waterworks system of the District (the "Project"), in cooperation with Monarch Engineering, Lawrenceburg, Kentucky, the Engineers for the District (the "Engineers").

Based on information furnished to me by said Engineers for the District, I hereby certify as follows:

1. That the proposed plans and specifications for the Project have been designed to meet the minimum construction and operating requirements set out in 807 KAR 5:066 Section 4(3) and (4); Section 5(1); Sections 6 and 7; Section 8(1) through (3); Section 9(1) and Section 10.
2. That all other state approvals and/or permits have already been obtained.
3. That the rates proposed by the District in its current Application filed with the Public Service Commission of Kentucky are contemplated to produce total revenue requirements set out in the Engineering Reports prepared by such Engineers and filed with the Public Service Commission.
4. That it is now contemplated that construction of the Project will begin on or about March 15, 1999, and will end on or about June 15, 1999.

IN TESTIMONY WHEREOF, witness my signature this February 1, 1999.



Chairman
Alton Water District

STATE OF KENTUCKY)
) SS
COUNTY OF ANDERSON)

Subscribed and sworn to before me by James R. Smith, Chairman of the Board of Commissioners of the Alton Water District, on this February 1, 1999.



Notary Public
In and For Said State and County

(Seal of Notary)

NOTICE OF PROPOSED RATE INCREASE

In accordance with the requirements of the Public Service Commission of the Commonwealth of Kentucky as set out in 807 KAR 5:069, Section 4, notice is hereby given to the customers of the Alton Water District of Anderson County, Kentucky, of an increase to the District's rate schedule as set forth herein.

The proposed rate increase is required by the United States Department of Agriculture, acting by and through the Rural Development, in connection with a loan by the RD to the District in the amount of \$436,000 to be evidenced by the issuance by the District of its Water and Sewer Revenue Bonds in such amount, which the RD has agreed to purchase provided the District meets certain conditions of the RD, including increasing its rates as set forth below:

Current Monthly Water Rates

First 2,000 gallons	\$11.80 minimum bill
Next 2,000 gallons	4.95 per 1,000 gallons
Next 2,000 gallons	4.20 per 1,000 gallons
Next 4,000 gallons	3.40 per 1,000 gallons
All over 10,000 gallons	2.80 per 1,000 gallons

Surcharge

New water customers on the Phase I Water Project will be required to pay a surcharge of \$19.50 per month.

Current Monthly Sewer Rates

First 2,000 gallons	\$12.54 minimum bill
All over 2,000 gallons	6.27 per 1,000 gallons

Proposed Monthly Water Rates

First 2,000 gallons	\$11.80 minimum bill
Next 2,000 gallons	4.95 per 1,000 gallons
Next 2,000 gallons	4.20 per 1,000 gallons
Next 4,000 gallons	3.40 per 1,000 gallons
All over 10,000 gallons	2.80 per 1,000 gallons

Surcharge

New water customers on the Phase I Water Project will be required to pay a surcharge of \$19.50 per month.

Proposed Monthly Sewer Rates

First 2,000 gallons
All over 2,000 gallons

\$14.54 minimum bill
7.27 per 1,000 gallons

The RD loan proceeds will be used to finance the cost of renovations and improvements to the existing sewer system of the District, consisting of the installation of approximately 21,500 linear feet of force main and replacing the lift station at General Cable.

Signed: James R. Smith, Chairman
Alton Water District
Lawrenceburg, Kentucky 40342

FINAL ENGINEERING REPORT

SEWER SYSTEM RENOVATION ALTON WATER DISTRICT

DECEMBER 17, 1998

PREPARED BY
MONARCH ENGINEERING, INC.



**FINAL PROJECT BUDGET
SEWER SYSTEM RENOVATION
ALTON WATER DISTRICT
ANDERSON COUNTY, KENTUCKY**

DECEMBER 17, 1998

PROJECT COSTS:

DEVELOPMENT	\$105,350.00
CONTINGENCY	220,156.36
ENGINEERING	13,590.15
INSPECTION	12,494.51
INTEREST	15,000.00
LAND & RIGHTS	4,000.00
LEGAL & ADMINISTRATIVE	7,700.00
WATER DISTRICT REIMBURSEMENT	57,708.98
TOTAL PROJECT COST	<u>\$436,000.00</u>

PROJECT FINANCING:

RURAL DEVELOPMENT LOAN	<u>\$436,000.00</u>
TOTAL PROJECT FINANCING	\$436,000.00



December 17, 1998

Mr. James R. Smith
Alton Water District
P.O. Box 312
Lawrenceburg, KY 40342

Re: Sewer System Renovation

Dear Mr. Smith:

On December 16, 1998, bids were received by the Alton Water District for work which involved the renovation and rehabilitation to a portion of the sewer system. Two bids were received and the lowest was submitted by United Pipeline, Inc. located in Tompkinsville, KY, for an amount of \$103,350.00. Attached please find a copy of a summarized bid tabulation which outlines the items as bid.

As you are aware the plan for the future of the Water District's sewer system is to abandon the vacuum system in lieu of a conventional gravity collection system. Recently, the Water District was informed that they are to receive over \$2,000,000 which will be put forth to accomplish this plan. In developing the work which was bid, we took into account those items which were identified in the Preliminary Engineering Report, and addressed only those which are critical to the current operation. Those items of the report as shown in the preliminary cost estimates which will eventually be abandoned were not included.

Based on the bids submitted we recommend that a contract be entered into with United Pipeline, Inc. for the amount of \$105,350.00 contingent upon approval from Rural Development. Attached please find a copy of the Final Cost Estimate which outlines the budget as determined at this time. You will note there remains a considerable amount of contingency funds and we recommend that they be utilized for the abandonment of the vacuum system in conjunction with the plan for the additional funds that are earmarked for this activity. Now that the bidding process for this portion is complete we will begin to evaluate the use of the remaining project funds. Hopefully, we will be able to coordinate a meeting sometime in the month of January to develop a plan for the best use of the remaining funds.

M

December 17, 1998
Page Two

Should you need additional information, please advise.

Sincerely



David M. Bowles, P.E.

/dmb

cc Terry Loper
Rural Development

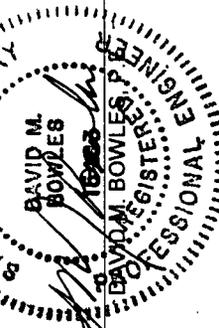
Jane Brown
Rural Development

MONARCH ENGINEERING, INC.
 1009 Industry Road
 Lawrenceburg, KY 40342
 Phone (502) 839-1310
 Fax (502) 839-1373

BID TABULATIONS
SEWER SYSTEM REHABILITATION
ALTON WATER & SEWER DISTRICT
ANDERSON COUNTY, KENTUCKY
BID DATE: DECEMBER 16, 1998

ITEM NO.	DESCRIPTION	QUANTITY	United Pipeline, Inc. 2124 Garmelle Road Tompkinsville, KY 42167		Smith Contractors, Inc. P.O. Box 480 Lawrenceburg, KY 40342		TOTAL COST
			UNIT PRICE	TOTAL COST	UNIT PRICE	TOTAL COST	
	BASE CONTRACT						
	Force Main Number 2						
1	Clean 6-Inch Force Main	3,300 LF	\$2.50	\$8,250.00	\$3.00	\$9,900.00	\$0.00
2	Clean 4-Inch Force Main	7,800 LF	2.00	15,600.00	2.85	22,230.00	0.00
3	Furnish and Install 4-Inch Line Stop Valve	1 EA	4,500.00	4,500.00	5,000.00	5,000.00	0.00
	Force Main Number 3						
4	Clean 6-Inch Force Main	3,700 LF	2.50	9,250.00	3.00	11,100.00	0.00
	Force Main Number 4						
5	Clean 4-Inch Force Main	4,200 LF	2.00	8,400.00	2.85	11,970.00	0.00
6	Furnish and Install 4-Inch Line Stop Valve	1 EA	4,500.00	4,500.00	5,000.00	5,000.00	0.00
	Force Main Number 5						
7	Clean 4-Inch Force Main	2,200 LF	2.00	4,400.00	2.85	6,270.00	0.00
8	Furnish and Install 4-Inch Line Stop Valve	1 EA	4,500.00	4,500.00	5,000.00	5,000.00	0.00
	Florida Tile Force Main						
9	4-Inch PVC SDR 21	250 LF	11.00	2,750.00	20.00	5,000.00	0.00
10	Bore & Case for 4-Inch Sewer Line	130 LF	90.00	11,700.00	140.00	18,200.00	0.00
11	4-Inch Gate Valve	1 EA	500.00	500.00	400.00	400.00	0.00
12	Connections	2 EA	500.00	1,000.00	1,000.00	2,000.00	0.00
	Lift Station @ General Cable						
13	Replace Entire Lift Station	1 LS	30,000.00	30,000.00	62,500.00	62,500.00	0.00
	TOTAL BASE CONTRACT			\$105,350.00		\$164,570.00	\$0.00

THE ABOVE IS A TRUE AND CORRECT TABULATION OF BIDS RECEIVED AT 10:00 A.M., LOCAL TIME, WEDNESDAY, DECEMBER 16, 1998 AT THE ALTON WATER & SEWER DISTRICT, LAWRENCEBURG, KY.



BY: *David M. Bowles*
 DAVID M. BOWLES
 REGISTERED PROFESSIONAL ENGINEER

12/17/98
 DATE

99045

RECEIVED

FEB 5 1999

PUBLIC SERVICE
COMMISSION

PRELIMINARY ENGINEERING REPORT

**SEWER SYSTEM RENOVATION
ALTON WATER & SEWER DISTRICT
ANDERSON COUNTY, KENTUCKY**

DECEMBER 1997



PRELIMINARY ENGINEERING REPORT

SEWER SYSTEM RENOVATION ALTON WATER & SEWER DISTRICT ANDERSON COUNTY, KENTUCKY

I. GENERAL

This Preliminary Engineering Report is intended to analyze the proposed upgrade of the sewer system owned by the Alton Water and Sewer District. The existing system is a vacuum system constructed in the early 1980's. This system is high maintenance and requires a large amount of labor to operate. Due to the inefficient operation of the vacuum system, compounded by growth in the community which has added a number of new customers, the system can no longer handle the flows discharged to it. There are four existing vacuum pump stations that are currently overloaded on a regular basis, which is resulting in backups into homes and apartment buildings. The Alton Water & Sewer District has paid claims for damages to existing residents and must correct the problem immediately.

Included in this report are maps of the proposed service area showing the areas to be improved, the project cost estimates and the Rural Development's "Kentucky Guide 7B" which serves as the Summary Addendum to the Preliminary Engineering Report. This Guide analyzes the capability of the Alton Water and Sewer District to execute this project by evaluating the financial status of the District along with a review of the operation of the District.

II. PROJECT PLANNING AREA

The project consists of upgrading the vacuum and sewage pumps in the four existing vacuum stations; directing flows from Vacuum Station Number 3 to Vacuum Station Number 4; replacing Lift Station Number 2; replacing pumps in Lift Station Number 1, Florida Tile Pumping Station, General Cable Pump Station, Tin City Pump Station and the Trailer Park Pump Station; pigging (cleaning) all the force mains in the system; providing three-phase power to Vacuum Station Number 3 and other needed repairs.

The area to be served has been identified as one of the fastest growing communities in Kentucky. The system presently serves 480 residential and small commercial customers along with two large industrial customers. It is anticipated these number will increase in the near future.

III. EXISTING FACILITIES

The Alton Water and Sewer District owns and operates its sewer collection system that serves 482 customers in rural Anderson County. The sewer collection system is vacuum type and is the only one of its kind in the State of Kentucky. The system consists of small diameter collection lines which are under negative pressure or vacuum conditions. These lines transport sewage to central collection stations. There are four collection stations that are equipped to generate the vacuum pressures. Once the sewage reaches these stations, it is transported to other stations and on to the City of Lawrenceburg's wastewater treatment plant via conventional sewer force mains.

The individual customer is served by a collection well that consists of an underground basin that provides storage space for collection of the sewage along with housing for the individual vacuum actuator. These collection wells, or 'pits' as they are commonly referred to, are approximately three feet deep and two feet in diameter, and are in most cases manufactured from fiberglass material. The bottom half of the pit is used for storage of the collected sewage and the upper half is ideally a dry compartment that houses the above mentioned actuator. The pits are ideally installed at a lower elevation from the structure that they serve, so that sewage flows by gravity from the dwelling to the pit.

The vacuum actuator consists of a mechanical operator that opens and closes to allow air to enter the system when the level of sewage reaches a point in the lower portion of the pit. This action by the actuator allows the vacuum cycle to operate based on the vacuum pressure that is being exerted onto the collection system. That cycle is created initially by the vacuum being applied to the collection system and also the individual pit. As sewage enters the pit the vacuum effect is not applied until sewage reaches a level in the lower portion of the pit and at that point, the actuator opens which applies the vacuum to the pit, which by this action, withdraws the sewage from the pit, until the level of the sewage reaches a low or shutoff level, at which point the actuator closes and the cycle is complete. This concept is similar to a person drinking from a glass through a straw, in that when the actuator, or in this case, the person, applies a vacuum to the straw, the liquid is drawn until empty, at which time the cycle is complete.

Once the sewage enters the collector lines, it is transported to the centralized stations as a result of the vacuum action. The collection lines are predominately three, four or six inch plastic pipe and are under a continuous vacuum. The sewage moves through these lines due to the action of individual actuators which allows air to enter the system displacing the sewage from the pits. This is similar to the glass and straw concept where the straw is submersed in the liquid, pressure is applied to the straw but the person is holding their

finger over the end of the straw. Upon removal of the finger, the vacuum cycle can occur, but once the finger is reapplied, the liquid level remains unchanged.

The collector lines lie generally along the slope of the existing topography, and usually are at similar depths as compared to the surrounding water lines. Unlike positive pressurized water lines which are constructed with a flexible connecting joint, the vacuum lines are constructed with glued joints which do not allow for expansion or contraction, or more commonly, settlement, of the surrounding earth.

The vacuum stations are housed within a two story underground concrete vault. They are equipped with dual vacuum pumps that create a vacuum pressure drawing sewage into these stations to be collected within a steel vacuum tank. As the sewage fills the tank, it is removed at predetermined levels via auger type pumps. The auger pumps force the sewage to conventional type lift stations for transport on to the wastewater treatment plant.

IV. NEED FOR THE PROJECT

The sewer system has experienced several operational difficulties over the past years, most commonly, overloading of four vacuum pump stations. Once overloading occurs, the vacuum stations become overburdened and are required to operate beyond their design capabilities. This results in flooding throughout the collection system and ultimately shuts down portions of the system. Once this occurs, customers in low lying areas experience raw sewage backups within their dwellings. That occurrence has been documented by the District in the form of complaints, threats of litigation and difficulty in acquiring insurance to protect the District from the potential liability of a health related or property damage claim.

Presently, the District is faced with immediately maintaining a level of service that minimizes the potential for a health hazard in the form of transporting sewage from the customers that are currently served, to the wastewater treatment plant, in addition to protecting the surrounding environment. The remedial measures consist generally of replacing worn mechanical equipment that is not a part of a conventional gravity type sewer collection system. These steps must be taken in order to continue the minimum level of service without experiencing major breakdowns that could disrupt service for extended periods of time. It is important to note this project does not consider any construction for the addition of new customers, or for the replacement of any of the vacuum portion of the sewer system.

V. ALTERNATIVES CONSIDERED

A study was conducted to determine what course of action was available to the District. It was determined that there were four feasible alternatives the District could consider.

The four alternatives were:

- 1) Renovating the existing vacuum system at a cost of \$436,000.00 and continuing to maintain the service area with additional renovations in the future. This does not include any construction for new customers or for the replacement of any of the vacuum portion of the system. This is the minimum required to keep this sewer system in operation. The study, previously mentioned, determined that based on past history of this system and its current operating state, loans of this magnitude and greater could be required in the near future to maintain service to the current customers.
- (2) Converting the vacuum system to a pressure type system. This could only be accomplished through the construction of an entirely separate system. The cost of completing this alternate prohibits construction as the District itself is not eligible for grant funding and cannot service a loan of the magnitude required to complete this alternative.
- 3) Converting the vacuum system to a conventional gravity type system. From the prospective of operation, this option is the most practical. The terrain of the service area lies such that a gravity sewer can be constructed. However, a preliminary cost estimate indicates a construction cost of nearly \$5,000,000.00. As previously mentioned, the District is ineligible for grant money and debt service to a loan of this magnitude would add a \$55.00-\$60.00 surcharge in addition to the current sewer charges of \$20.00-\$40.00.
- 4) Renovating the system using a combination of the above listed alternatives. This alternative would appear to serve all purposes except that portions of the service area would be without service during construction and again, the cost is prohibitive.

Based on the fact that this system is less than fifteen years old, and considering the amount of loan that would be required by the District to follow through with Alternatives 2, 3, and 4, the District chose to proceed with Alternative 1 and maintain the existing facilities.

VI. PROPOSED PROJECT

The proposed project consists of upgrading the vacuum and sewage pumps in the four existing vacuum stations; directing flows from Vacuum Station Number 3 to Vacuum Station Number 4; replacing Lift Station Number 2; replacing pumps in Lift Station Number 1, Florida Tile Pumping Station, General Cable Pump Station, Tin City Pump Station and the Trailer Park Pump Station; pigging (cleaning) all the force mains in the system; providing three-phase power to Vacuum Station Number 3 and other needed repairs.

An itemized cost estimate is included in this report and it outlines all of the individual construction items along with their associated estimated unit costs. A summary cost estimate summarizes all of the project costs and outlines the funding scheme for the project which is also included in this report.

The analysis of the District's ability to finance and operate the improvements is itemized in the Summary Addendum. This data evaluates and compares the current and expected revenues as a result of the sale of water and sewer, operation and maintenance costs, other miscellaneous income and costs, and a summary of long term debts including their annual principle and interest payments.

An analysis of the customer monthly water and sewer usage and associated revenue is included and is based on actual water and sewage sales. This information was supplied by the District.

The project has been estimated to be \$436,000.00. The Alton Water and Sewer District has applied to the U. S. Department of Agriculture through the Rural Development Agency for financial assistance in the form of a loan in the amount of \$436,000.00. The District is anticipating a favorable response for the much needed financial assistance sometime before the end of the 1997 calendar year, and it is anticipated that construction activities could begin sometime in 1998. This loan is intended to finance the repair and upkeep of the sewer system which began operation in 1986, and which is necessary in order to keep the system operational.

VII. CONCLUSIONS AND RECOMMENDATIONS

Based on our evaluations and as generally summarized in this report, the future of the sewer system as owned and operated by the District appears to face two directions. One, the District will continue to operate the vacuum system and by doing so will experience continued increases in operating costs which will in turn cause significant increases in user charges. This is based on the need for the District to finance a loan of \$436,000.00 for basically making repairs to a system which is less than fifteen years old. Loans of this magnitude could conceivably be needed at later intervals should the District continue its

current operation. Secondly, the replacement of the vacuum system could be undertaken, but based on the magnitude of the project to replace the vacuum system combined with the fact that currently the District is not eligible for grant funds, the debt service for a loan of this size renders this activity inconceivable.

Based on these two forecasts, the District is left with no practical alternative other than to repair the existing system to maintain operational status while seeking relief from the agencies that initially financed and endorsed this type of sewer system. That relief should be in the form of converting the vacuum system to a conventional gravity type system, and it should be noted that it could be performed in phases, but would be more costly than if undertaken at one time.

**PRELIMINARY COST ESTIMATE
SANITARY SEWER SYSTEM IMPROVEMENTS
ALTON WATER & SEWER DISTRICT
MARCH 1997**

PROJECT COST

DEVELOPMENT	\$301,000.00
CONTINGENCY	30,000.00
ENGINEERING	33,300.00
INSPECTION	25,000.00
LEGAL	7,700.00
INTEREST	15,000.00
LAND	4,000.00
FACILITIES PLAN UPDATE	<u>20,000.00</u>
TOTAL PROJECT COST	\$436,000.00

PROJECT FINANCING

RURAL DEVELOPMENT LOAN	\$436,000.00
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**PRELIMINARY COST ESTIMATE
 SANITARY SEWER SYSTEM IMPROVEMENTS
 ALTON WATER & SEWER DISTRICT
 ANDERSON COUNTY, KENTUCKY
 MARCH 1997**

VACUUM STATION NO. 1

1	INSTALL ONE 330 CFM VACUUM PUMP	\$20,000.00
2	REPLACE TWO POSITIVE DISPLACEMENT PUMPS	16,000.00

VACUUM STATION NO. 2

3	REPLACE TWO POSITIVE DISPLACEMENT PUMPS	16,000.00
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VACUUM STATION NO. 3

4	INSTALL TWO 330 CFM VACUUM PUMP	40,000.00
5	REPLACE TWO POSITIVE DISPLACEMENT PUMPS	16,000.00
6	PROVIDE THREE PHASE POWER	22,000.00
7	REPLACE TWO 6-INCH VALVES	2,000.00

VACUUM STATION NO. 4

8	REPLACE TWO VACUUM PUMPS WITH PUMPS FROM VACUUM STATION NO. 3	3,000.00
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LIFT STATIONS

9	REPLACE TWO PUMPS - LIFT STATION NO.1	15,000.00
10	REPLACE TWO PUMPS - FLORIDA TILE LIFT STATION	10,000.00
11	REPLACE TWO PUMPS - GENERAL CABLE LIFT STATION	10,000.00
12	REPLACE TWO PUMPS - TIN CITY LIFT STATION	6,000.00
13	REPLACE TWO PUMPS - ALTON TRAILER PARK	6,000.00
14	REPLACE LIFT STATION NO.2	40,000.00

FORCE MAINS

15	CLEAN FORCE MAIN NO. 1 10,500 LF OF 6-INCH FORCE MAIN @ \$0.80/LF	8,400.00
16	CLEAN FORCE MAIN NO. 2 2,500 LF OF 6-INCH FORCE MAIN @ \$0.80/LF 7,500 LF OF 4-INCH FORCE MAIN @ \$0.60/LF	2,000.00 4,500.00
17	CLEAN FORCE MAIN NO. 3 3,500 LF OF 6-INCH FORCE MAIN @ \$0.80/LF	2,800.00
18	CLEAN FORCE MAIN NO. 4 4,000 LF OF 4-INCH FORCE MAIN @ \$0.60/LF	2,400.00
19	CLEAN FORCE MAIN NO. 5 1,500 LF OF 4-INCH FORCE MAIN @ \$0.60/LF	900.00
20	INSTALL TWO 6-INCH LINE STOP VALVES @ \$2,500.00/EA.	5,000.00
21	INSTALL THREE 4-INCH LINE STOP VALVES @ \$2,200.00/EA.	6,600.00
22	DIVERT PARTIAL FLOW FROM STATION NO. 3 TO STATION NO. 4 2,500 LF OF 6-INCH VACUUM SEWER @ \$10.00/LF.	25,000.00

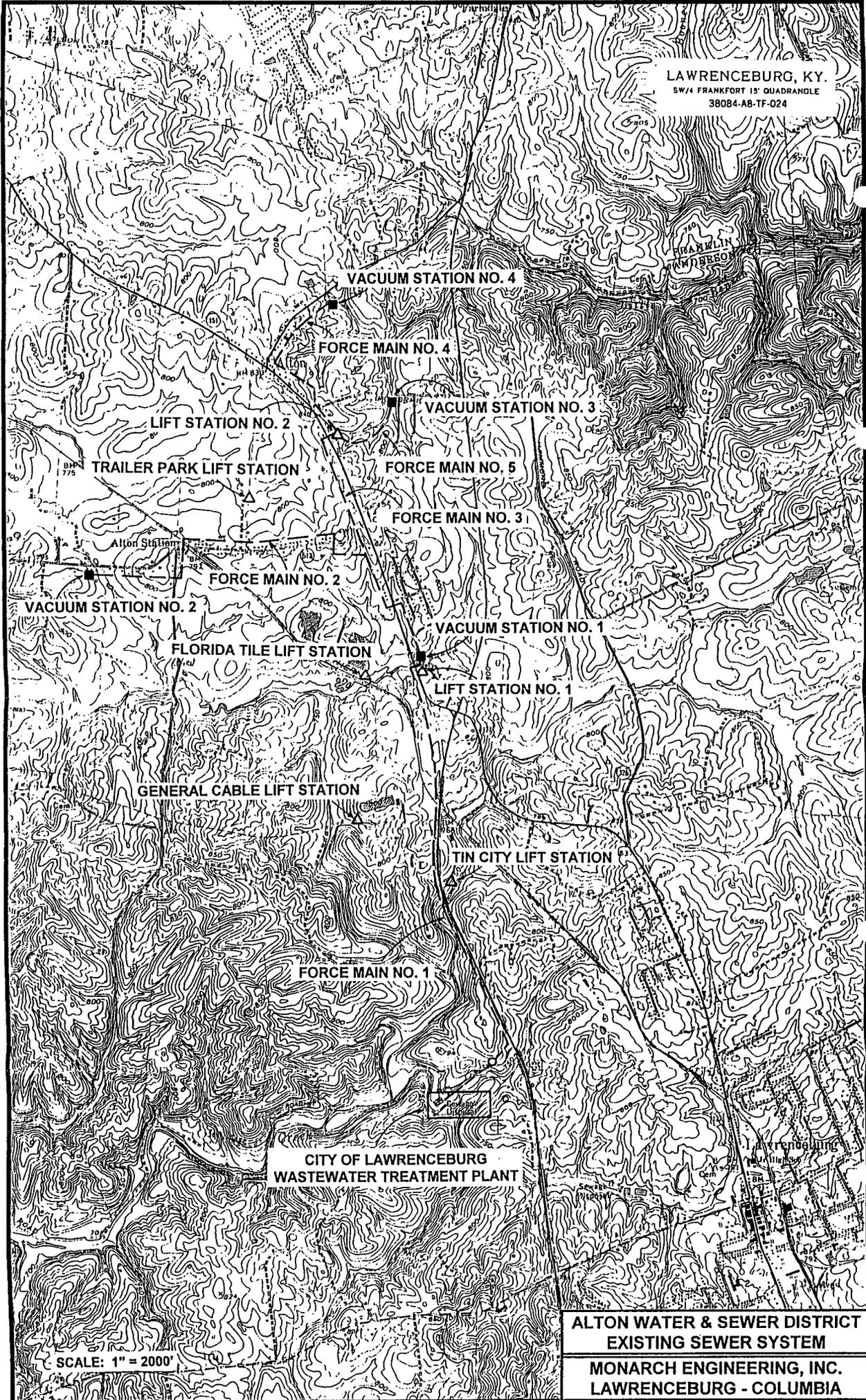
NORTHWOOD LOOP FORCE MAIN

23	DUPLEX GRINDER PUMP STATION	15,000.00
24	1,600 LF OF 4-INCH FORCE MAIN @ \$4.00 LF.	6,400.00

TOTAL

\$301,000.00

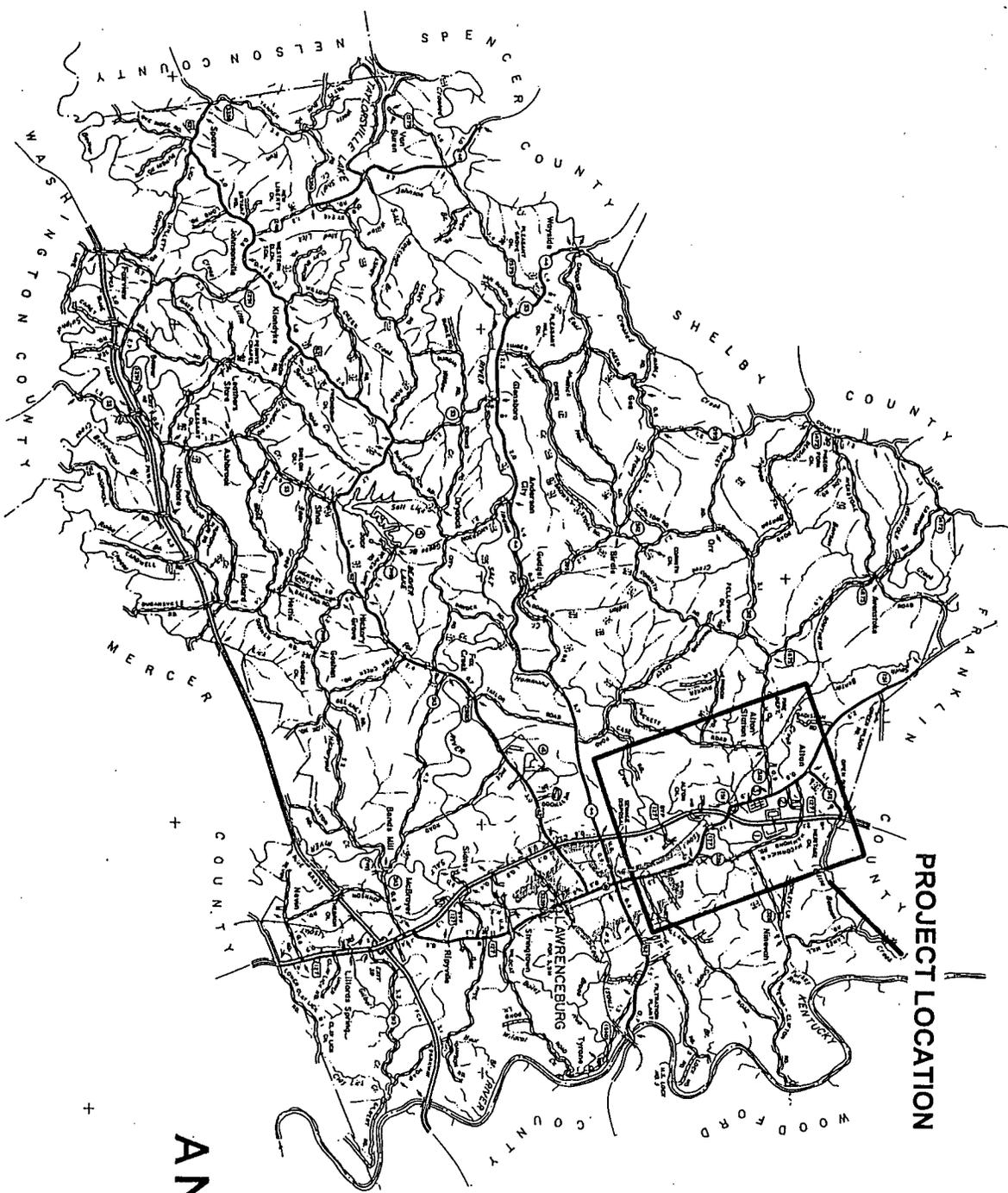
LAWRENCEBURG, KY.
SW/4 FRANKFORT 15' QUADRANGLE
38084-AB-TF-024



SCALE: 1" = 2000'

CITY OF LAWRENCEBURG
WASTEWATER TREATMENT PLANT

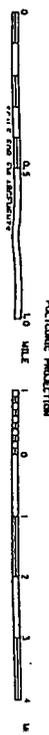
ALTON WATER & SEWER DISTRICT
EXISTING SEWER SYSTEM
MONARCH ENGINEERING, INC.
LAWRENCEBURG - COLUMBIA

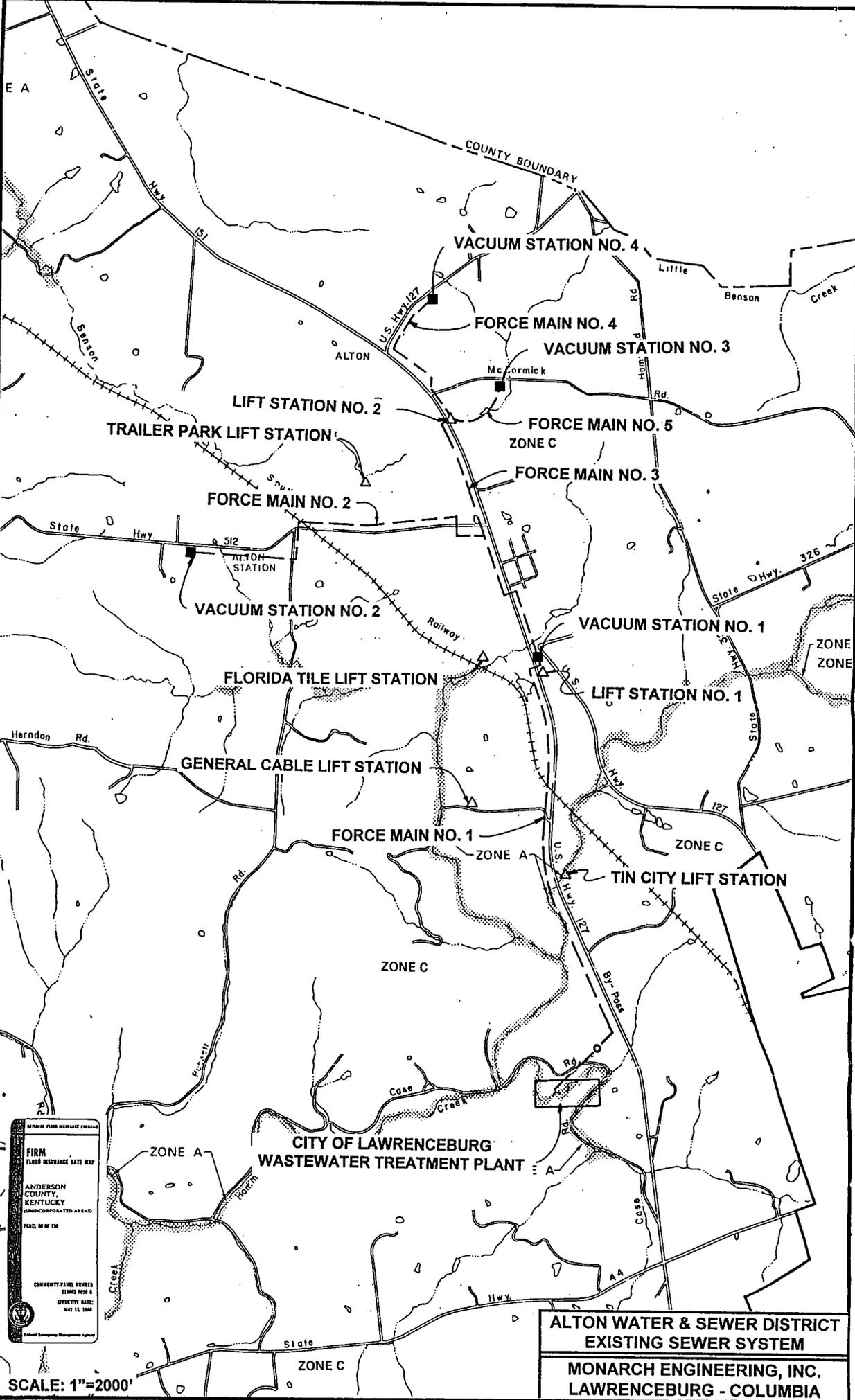


PROJECT LOCATION

ANDERSON COUNTY KENTUCKY

1984 EDITION
 GENERAL HIGHWAY MAP
 PREPARED BY THE
 KENTUCKY TRANSPORTATION CABINET
 DEPARTMENT OF HIGHWAYS
 DIVISION OF PLANNING
 IN COOPERATION WITH THE
 U.S. DEPARTMENT OF TRANSPORTATION
 FEDERAL HIGHWAY ADMINISTRATION





FIRM
 FLOOD INSURANCE RATE MAP
 ANDERSON COUNTY, KENTUCKY
 UNINCORPORATED AREAS
 PANEL 10 OF 124
 CURRENTLY PUBLISHED UNDER
 FIRM NO. 8
 EFFECTIVE DATE
 MAY 15, 1984

SCALE: 1"=2000'

ALTON WATER & SEWER DISTRICT
EXISTING SEWER SYSTEM
 MONARCH ENGINEERING, INC.
 LAWRENCEBURG - COLUMBIA

SUMMARY ADDENDUM

TO

PRELIMINARY ENGINEERING REPORT

Dated December 1997

FOR

Alton Water and Sewer District

(NAME OF PROJECT)

COMBINED WATER AND SERWEAGE SYSTEM

In order to avoid unnecessary delays in application processing, the applicant and its consulting engineer should prepare a summary of the preliminary engineering report in ccordance with this Guide.

Feasibility reviews and grant determination may be processed more accurately and more rapidly if the Summary /Addendus is submitted simultaneously with the preliminary engineering report or as soon thereafter as possible.

I. General

A. Area to be served: In addition to this summary, the applicant/engineer should submit a project map of the service area showing the following:

1. Existing Facilities - Location and Size.
2. Proposed Facilities - Location and Size.
3. New User Location - Also attached a list of new users, by road.
4. Breakout of project cost for each branch line.

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

RCM

99-045

I also wish to receive the following services (for an extra fee):

- 1. Addressee's Address
 - 2. Restricted Delivery
- Consult postmaster for fee.

3. Article Addressed to:

James Smith

4a. Article Number

4b. Service Type

- Registered
- Express Mail
- Return Receipt for Merchandise
- Certified
- Insured
- COD

7. Date of Delivery

2 467 302 318 7-8-91

8. Addressee's Address (Only if requested and fee is paid)

5. Received By: (Print Name)

Jennifer Reesor

6. Signature: (Addressee or Agent)

x Jennifer Reesor

PS Form 3811, December 1994

102595-98-B-0229

Domestic Return Receipt

Is your RETURN ADDRESS completed on the reverse side?

Thank you for using Return Receipt Service.

UNITED STATES POSTAL SERVICE

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10



Print your name, address, and ZIP Code in this box

MAIL SERVICE CORPORATION
780 SCHWELER LANE
P.O. BOX 618
WASHINGTON, KY 40392

40392/0618



II. FACILITY CHARACTERISTICS OF EXISTING SEWER SYSTEM

A. Sewage Treatment:

- 1. City of Lawrenceburg
- 2. **Method of Sludge Disposal** N/A
- 3. **Cost per 1,000 gallons if sewage treatment is contracted :**
\$ 1.25
- 4. **Date Constructed** 1984

B. Treatment Capacity of Sewage Treatment Plant 1.9 MGD

C. Type of Sewage Collector System (Describe) Vacuum type, small diameter collection lines under negative pressure transport sewage to central collection stations and onto the City of Lawrenceburg.

D. Number and Capacity of Sewage Lift Stations Seven - Two @ 20 GPM
Two @ 50 GPM, Two @ 100 GPM and One @ 250 GPM

E. Sewage Collection System: *

Lineal Feet of Collector Lines, by size 6" 8" 1,050 10" _____
12" _____ Larger _____
Date (s) Constructed 1986

F. Conditions of Existing System. Briefly describe the conditions and suitability for continued use facility now owned by the applicant. Include any major renovation that will be needed within five to ten years. This system is of the vacuum type and is the only one of this type in the state. It experiences a large amount of infiltration and inflow ultimately causing raw sewage backups in dwellings. Ultimately, the entire system must be switched to a conventional type gravity sewer.

*** Lineal feet of Vacuum Lines:** 3" 18,000 4" 22,500 6" 22,800

III. FACILITY CHARACTERISTICS OF EXISTING WATER SYSTEM

A. Water Source: Describe adequacy of source (quality and quantity). Include an explanation of raw water source, raw water intake structure, treatment plant capacity and current level of production (WTP). Also describe the adequacy of Water Purchase Contract if applicable.

Water is purchased from the City of Lawrenceburg under contract.

B. Water Storage:

Type:	Ground Storage Tank	_____	Elevated Tank	_____	1
	Standpipe	_____ 1	Other	_____	
Number of Storage Structures	_____ 2				
Total Storage Volume Capacity	_____ 250,000 gallons				
Date Storage Tank(s) Constructed	_____ 1962 & 1997				

C. Water Distribution System:

Pipe Material	_____ PVC, Asbestos Cement and Cast Iron				
Lineal Feet of Pipe:	3" Diameter	_____ 9,000	4" _____ 21,000	6" _____ 160,000	
	2" _____ 500	8" _____ 6,000	10" _____	12" _____	
Date(s) Water Lines Constructed	_____ 1962				
Number and Capacity of Pump Station(s)	_____ 2 Stations both @ 100 GPM				

D. Condition of Existing Water System:

Briefly describe the condition and suitability for continued use of facility now owned by the applicant. Include any major renovation that will be needed within five to ten years.

The existing system has been recently expanded by 24 miles and a new elevated storage tank as well as a new booster pump station. The suitability for continued use is excellent.

IV. EXISTING LONG - TERM INDEBTEDNESS

A. List of Bonds and Notes:

<u>Date</u>	<u>Principal Balance</u>	<u>Interest Rate</u>	<u>Bond or Note Holder</u>	<u>Amount of Deposit in Reserve Account</u>
19 <u>62</u> issue	<u>\$ 25,000</u>	<u>4.0 %</u>	<u>FmHA</u>	<u>\$</u>
19 <u>87</u> issue	<u>\$229,000</u>	<u>7.125 %</u>	<u>FmHA</u>	<u>\$</u>
19 <u>87</u> issue	<u>\$107,900</u>	<u>7.125 %</u>	<u>FmHA</u>	<u>\$</u>
19 <u>94</u> issue	<u>\$96,000</u>	<u>5.5 %</u>	<u>FmHA</u>	<u>\$</u>
19 <u>97</u> issue	<u>\$997,000</u>	<u>5.375 %</u>	<u>FmHA</u>	<u>\$</u>
19 <u> </u> issue	<u> </u>	<u> </u>	<u> </u>	<u>\$</u>

* Indicate DHUD, EDA, Private or Unknown.

<u>Date</u>	<u>Water</u>	<u>Sewer</u>	<u>Water / Sewer</u>	<u>Other</u>
19 <u>62</u> issue	<u>X</u>	<u> </u>	<u>100 % %</u>	<u> </u>
19 <u>87</u> issue	<u> </u>	<u>X</u>	<u> % 100 %</u>	<u> </u>
19 <u>87</u> issue	<u> </u>	<u>X</u>	<u> % 100 %</u>	<u> </u>
19 <u>94</u> issue	<u> </u>	<u>X</u>	<u> % 100 %</u>	<u> </u>
19 <u>97</u> issue	<u>X</u>	<u> </u>	<u>100 % %</u>	<u> </u>
19 <u> </u> issue	<u> </u>	<u> </u>	<u> % %</u>	<u> </u>

* If a combined issue, shown attributable portion to each system.

V. LAND AND RIGHTS - EXISTING SYSTEM (S)

Number of Water and/or Sewer Treatment Plant Sites	<u>N/A</u>
Number of Pump Sites	<u>9 (7 sewer & 2 water)</u>
Number of Other Sites	<u>0</u>
Total Acreage	<u>2.0 + acres</u>
Estimated Present Market Value	<u>N/A</u>

VI. NUMBER OF EXISTING USERS

A. Sewer Users:

Residential (In Town) *	N/A
Residential/farmers (Out of Town) *	460
Non-Residential/Commercial (In Town)	N/A
Non-Residential/Commercial (Out-of-Town)	23
Total	483
Number to Total Potential Users Living in the Service Area	

* **Note:** Residential/Farmer Users: Classify by type of user regardless of quantity of water. This classification should include those meters serving individual rural residences and farmers.

VII. CURRENT SEWER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION.

Meter Size	Connection Fee	Minimum Water Usage for Each Size Meter
5/8" x 3/4"	\$ 2,000	2,000 gallons
1 - Inch	\$ N/A	N/A gallons
1-1/2 - Inch	\$ "	" gallons
2 - Inch	\$ "	" gallons
3 - Inch	\$ "	" gallons
4 - Inch	\$ "	" gallons
5 - Inch	\$ "	" gallons
6 - Inch	\$ "	" gallons

Sewer Rates (Existing System) :

Percentage of water bill _____ % Minimum Charge \$ 12.54

Other: (Sewer charge if not based on water bill) \$12.54 for the first 2,000 gallons
 \$6.27 per 1,000 gallons thereafter.

Date this rate went into effect 1997

VIII. NUMBER OF EXISTING USERS

A. Water Users:

Residential (In Town) *	N/A
Residential/farmers (Out of Town) *	645
Non-Residential/Commercial (In Town)	N/A
Non-Residential/Commercial (Out-of-Town)	19
Total	664
Number to Total Potential Users Living in the Service Area	

* **Note:** Residential/Farmer Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences and farmers.

IX. CURRENT WATER CONNECTION FEES FOR EACH SIZE METER CONNECTION.

Meter Size	Connection Fee	Minimum Water Usage for Each Size Meter
5/8" x 3/4"	\$ 550.00	2,000 gallons
1 - Inch	N/A	N/A gallons
1-1/2 - Inch	"	" gallons
2 - Inch	"	" gallons
3 - Inch	"	" gallons
4 - Inch	"	" gallons
5 - Inch	"	" gallons
6 - Inch	"	" gallons

X. WATER RATES - EXISTING SYSTEM

Existing Rate Schedule:

First	<u>2,000</u>	Gallons @ \$	<u>11.80</u>	Minimum
Next	<u>2,000</u>	Gallons @ \$	<u>4.95</u>	per 1,000 gallons.
Next	<u>2,000</u>	Gallons @ \$	<u>4.20</u>	per 1,000 gallons.
Next	<u>4,000</u>	Gallons @ \$	<u>3.40</u>	per 1,000 gallons.
Next	_____	Gallons @ \$	_____	per 1,000 gallons.
Next	_____	Gallons @ \$	_____	per 1,000 gallons.
All Over	<u>10,000</u>	Gallons @ \$	<u>2.80</u>	per 1,000 gallons.

Date this rate went into effect: _____ 1997

MILTON WATER & SEWER DISTRICT
EXISTING CUSTOMER USAGE
JANUARY 1 THRU DECEMBER 31, 1996
SEWER- RESIDENTIAL

EXISTING RATE STRUCTURE				
FIRST	2,000 Gallons	\$10.54	Minimum Payment	
NEXT	2,000 Gallons	5.27	Per 1000 Gallons	
NEXT	2,000 Gallons	5.27	Per 1000 Gallons	
NEXT	4,000 Gallons	5.27	Per 1000 Gallons	
OVER	10,000 Gallons	5.27	Per 1000 Gallons	

ANALYSIS OF MONTHLY WATER USAGE AND INCOME						
Monthly Water Usage		Units	Average Usage	Number of Users	Total Usage	Projected Income
	0	Gallons	0	3	0	\$31.62
0	to 2,000	Gallons	1,000	116	116,000	1,222.64
2,000	to 3,000	Gallons	2,500	94	235,000	1,238.45
3,000	to 4,000	Gallons	3,500	92	322,000	1,696.94
4,000	to 5,000	Gallons	4,500	64	288,000	1,517.76
5,000	to 6,000	Gallons	5,500	29	159,500	840.57
6,000	to 7,000	Gallons	6,500	27	175,500	924.89
7,000	to 8,000	Gallons	7,500	17	127,500	671.93
8,000	to 9,000	Gallons	8,500	6	51,000	268.77
9,000	to 10,000	Gallons	9,500	0	0	0.00
10,000	to 11,000	Gallons	10,500	4	42,000	221.34
11,000	to 12,000	Gallons	11,500	1	11,500	60.61
12,000	to 13,000	Gallons	12,500	1	12,500	65.88
13,000	to 14,000	Gallons	13,500	3	40,500	213.44
14,000	to 15,000	Gallons	14,500	1	14,500	76.42
15,000	to 16,000	Gallons	15,500	0	0	0.00
16,000	to 17,000	Gallons	16,500	0	0	0.00
17,000	to 18,000	Gallons	17,500	0	0	0.00
18,000	to 19,000	Gallons	18,500	0	0	0.00
19,000	to 20,000	Gallons	19,500	1	19,500	102.77
20,000	to 25,000	Gallons	22,500	0	0	0.00
25,000	to 30,000	Gallons	27,500	1	27,500	144.93
30,000	to 35,000	Gallons	32,500	0	0	0.00
35,000	to 40,000	Gallons	37,500	0	0	0.00
40,000	to 45,000	Gallons	42,500	0	0	0.00
45,000	to 50,000	Gallons	47,500	0	0	0.00
50,000	to 55,000	Gallons	52,500	0	0	0.00
55,000	to 60,000	Gallons	57,500	0	0	0.00
60,000	to 65,000	Gallons	62,500	0	0	0.00
65,000	to 70,000	Gallons	67,500	0	0	0.00
70,000	to 75,000	Gallons	72,500	0	0	0.00
75,000	to 100,000	Gallons	87,500	0	0	0.00
100,000	to 325,000	Gallons	212,500	0	0	0.00
325,000	to 500,000	Gallons	412,500	0	0	0.00
Monthly Totals				460	1,642,500	\$9,298.92
Annual Totals				5,520	19,710,000	\$111,586.98
Monthly Avg/Customer				3,571	3,571	\$18.82

MALTON WATER & SEWER DISTRICT
EXISTING CUSTOMER USAGE
JANUARY 1 THRU DECEMBER 31, 1996
SEWER- COMMERCIAL

EXISTING RATE STRUCTURE				
FIRST	2,000	Gallons	\$10.54	Minimum Payment
NEXT	2,000	Gallons	5.27	Per 1000 Gallons
NEXT	2,000	Gallons	5.27	Per 1000 Gallons
NEXT	4,000	Gallons	5.27	Per 1000 Gallons
OVER	10,000	Gallons	5.27	Per 1000 Gallons

ANALYSIS OF MONTHLY WATER USAGE AND INCOME						
Monthly Water Usage		Units	Average Usage	Number of Users	Total Usage	Projected Income
	0	Gallons	0	3	0	\$31.62
0	to	2,000	Gallons	1,000	10	105.40
2,000	to	3,000	Gallons	2,500	1	13.18
3,000	to	4,000	Gallons	3,500	1	18.45
4,000	to	5,000	Gallons	4,500	0	0.00
5,000	to	6,000	Gallons	5,500	1	28.99
6,000	to	7,000	Gallons	6,500	1	34.26
7,000	to	8,000	Gallons	7,500	2	15,000 79.05
8,000	to	9,000	Gallons	8,500	0	0.00
9,000	to	10,000	Gallons	9,500	0	0.00
10,000	to	11,000	Gallons	10,500	1	10,500 55.34
11,000	to	12,000	Gallons	11,500	0	0.00
12,000	to	13,000	Gallons	12,500	0	0.00
13,000	to	14,000	Gallons	13,500	0	0.00
14,000	to	15,000	Gallons	14,500	0	0.00
15,000	to	16,000	Gallons	15,500	0	0.00
16,000	to	17,000	Gallons	16,500	0	0.00
17,000	to	18,000	Gallons	17,500	0	0.00
18,000	to	19,000	Gallons	18,500	0	0.00
19,000	to	20,000	Gallons	19,500	0	0.00
20,000	to	25,000	Gallons	22,500	0	0.00
25,000	to	30,000	Gallons	27,500	0	0.00
30,000	to	35,000	Gallons	32,500	0	0.00
35,000	to	40,000	Gallons	37,500	1	37,500 197.63
40,000	to	50,000	Gallons	45,000	0	0.00
50,000	to	60,000	Gallons	55,000	0	0.00
60,000	to	70,000	Gallons	65,000	0	0.00
70,000	to	75,000	Gallons	72,500	0	0.00
75,000	to	100,000	Gallons	87,500	0	0.00
100,000	to	200,000	Gallons	150,000	0	0.00
200,000	to	315,460	Gallons	257,730	1	257,730 1,358.24
315,460	to	400,000	Gallons	357,730	0	0.00
400,000	to	585,260	Gallons	492,630	1	492,630 2,596.16
582,260	to	600,000	Gallons	591,130	0	0.00
600,000	to	700,000	Gallons	650,000	0	0.00
Monthly Totals				23	841,360	\$4,518.29
Annual Totals				276	10,096,320	\$54,219.45
Monthly Avg/Customer				██████████	36,581	\$192.78

WILMINGTON WATER & SEWER DISTRICT
EXISTING CUSTOMER USAGE
JANUARY 1 THRU DECEMBER 31, 1996
WATER- RESIDENTIAL

EXISTING RATE STRUCTURE					
FIRST	2,000 Gallons	\$10.30	Minimum Payment		
NEXT	2,000 Gallons	4.20	Per 1000 Gallons		
NEXT	2,000 Gallons	3.45	Per 1000 Gallons		
NEXT	4,000 Gallons	2.65	Per 1000 Gallons		
OVER	10,000 Gallons	2.05	Per 1000 Gallons		

ANALYSIS OF MONTHLY WATER USAGE AND INCOME						
Monthly Water Usage		Units	Average Usage	Number of Users	Total Usage	Projected Income
	0	Gallons	0	6	0	\$61.80
0	to	2,000	Gallons	1,000	148	1,524.40
2,000	to	3,000	Gallons	2,500	126	315,000
3,000	to	4,000	Gallons	3,500	121	423,500
4,000	to	5,000	Gallons	4,500	94	423,000
5,000	to	6,000	Gallons	5,500	44	242,000
6,000	to	7,000	Gallons	6,500	40	260,000
7,000	to	8,000	Gallons	7,500	23	172,500
8,000	to	9,000	Gallons	8,500	9	76,500
9,000	to	10,000	Gallons	9,500	4	38,000
10,000	to	11,000	Gallons	10,500	8	84,000
11,000	to	12,000	Gallons	11,500	4	46,000
12,000	to	13,000	Gallons	12,500	1	12,500
13,000	to	14,000	Gallons	13,500	5	67,500
14,000	to	15,000	Gallons	14,500	2	29,000
15,000	to	16,000	Gallons	15,500	2	31,000
16,000	to	17,000	Gallons	16,500	2	33,000
17,000	to	18,000	Gallons	17,500	0	0
18,000	to	19,000	Gallons	18,500	0	0
19,000	to	20,000	Gallons	19,500	1	19,500
20,000	to	25,000	Gallons	22,500	1	22,500
25,000	to	30,000	Gallons	27,500	1	27,500
30,000	to	35,000	Gallons	32,500	1	32,500
35,000	to	40,000	Gallons	37,500	0	0
40,000	to	45,000	Gallons	42,500	1	42,500
45,000	to	50,000	Gallons	47,500	1	47,500
50,000	to	55,000	Gallons	52,500	0	0
55,000	to	60,000	Gallons	57,500	0	0
60,000	to	65,000	Gallons	62,500	0	0
65,000	to	70,000	Gallons	67,500	0	0
70,000	to	75,000	Gallons	72,500	0	0
75,000	to	100,000	Gallons	87,500	0	0
100,000	to	325,000	Gallons	212,500	0	0
325,000	to	500,000	Gallons	412,500	0	0
Monthly Totals				645	2,593,500	\$11,800.15
Annual Totals				7,740	31,122,000	\$141,601.80
Monthly Avg/Customer				4,021	\$18.79	

ALTON WATER & SEWER DISTRICT
EXISTING CUSTOMER USAGE
JANUARY 1 THRU DECEMBER 31, 1996
WATER- COMMERCIAL

EXISTING RATE STRUCTURE			
FIRST	2,000 Gallons	\$10.30	Minimum Payment
NEXT	2,000 Gallons	4.20	Per 1000 Gallons
NEXT	2,000 Gallons	3.45	Per 1000 Gallons
NEXT	4,000 Gallons	2.65	Per 1000 Gallons
OVER	10,000 Gallons	2.05	Per 1000 Gallons

ANALYSIS OF MONTHLY WATER USAGE AND INCOME						
Monthly Water Usage		Units	Average Usage	Number of Users	Total Usage	Projected Income
	0	Gallons	0	3	0	\$30.90
0	to	2,000	Gallons	1,000	7	72.10
2,000	to	3,000	Gallons	2,500	1	12.40
3,000	to	4,000	Gallons	3,500	1	16.60
4,000	to	5,000	Gallons	4,500	0	0.00
5,000	to	6,000	Gallons	5,500	0	0.00
6,000	to	7,000	Gallons	6,500	1	26.93
7,000	to	8,000	Gallons	7,500	1	29.58
8,000	to	9,000	Gallons	8,500	0	0.00
9,000	to	10,000	Gallons	9,500	0	0.00
10,000	to	11,000	Gallons	10,500	1	37.23
11,000	to	12,000	Gallons	11,500	0	0.00
12,000	to	13,000	Gallons	12,500	0	0.00
13,000	to	14,000	Gallons	13,500	0	0.00
14,000	to	15,000	Gallons	14,500	1	45.43
15,000	to	16,000	Gallons	15,500	0	0.00
16,000	to	17,000	Gallons	16,500	0	0.00
17,000	to	18,000	Gallons	17,500	0	0.00
18,000	to	19,000	Gallons	18,500	0	0.00
19,000	to	20,000	Gallons	19,500	0	0.00
20,000	to	25,000	Gallons	22,500	0	0.00
25,000	to	30,000	Gallons	27,500	0	0.00
30,000	to	35,000	Gallons	32,500	0	0.00
35,000	to	40,000	Gallons	37,500	1	92.58
40,000	to	45,000	Gallons	42,500	0	0.00
45,000	to	50,000	Gallons	47,500	0	0.00
50,000	to	75,000	Gallons	62,500	0	0.00
75,000	to	100,000	Gallons	87,500	0	0.00
100,000	to	168,200	Gallons	134,100	1	290.61
168,200	to	200,000	Gallons	184,100	0	0.00
200,000	to	300,000	Gallons	250,000	0	0.00
300,000	to	400,000	Gallons	350,000	0	0.00
400,000	to	450,000	Gallons	425,000	0	0.00
450,000	to	549,400	Gallons	499,700	1	1,040.09
Monthly Totals				19	723,300	\$1,694.42
Annual Totals				228	8,679,600	\$20,332.98
Monthly Avg/Customer				██████████	38,068	\$161.79

XIII. FACILITY CHARACTERISTICS OF PROPOSED SEWER SYSTEM

A. Sewage Treatment:

1. City of Lawrenceburg
2. **Method of Sludge Disposal** N/A
3. **Cost per 1,000 gallons if sewage treatment is contracted :**
\$ 1.25
4. **Date Constructed** N/A

B. Treatment Capacity of Sewage Treatment Plant N/A

C. Type of Sewage Collector System (Describe) Repair and upgrade of the existing sewer system, replacing one lift station, and pumps in six pump stations, pigging all force mains and other needed repairs.

D. Number and Capacity of Sewage Lift Stations _____

E. Sewage Collection System:

Lineal Feet of Collector Lines, by size 6" 8" 10"
12" Larger

XIV. LAND AND RIGHTS - PROPOSED SEWER SYSTEM

Number of Treatment Plant Sites N/A

Number of Pump Sites N/A

Number of Other Sites N/A

Total Acreage N/A

Purchase Price \$ N/A

XVII NUMBER OF NEW SEWER USERS

Residential (In Town) *

Residential/farmers (Out of Town) *

_____ 0 _____

Non-Residential/Commercial (In Town)

Non-Residential/Commercial (Out-of-Town)

_____ 0 _____

Total

_____ 0 _____

Number to Total Potential Users Living in the Service Area

* **Note: Residential/Farmer Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences and farmers.**

XX PROPOSED SEWER CONNECTION FEES FOR EACH SIZE WATER METER CONNECTION.

Meter Size	Connection Fee	Minimum Water Usage for Each Size Meter	
5/8" x 3/4"	\$ 2,000	2,000	gallons
1 - Inch	\$ N/A	N/A	gallons
1-1/2 - Inch	\$ "	"	gallons
2 - Inch	\$ "	"	gallons
3 - Inch	\$ "	"	gallons
4 - Inch	\$ "	"	gallons
5 - Inch	\$ "	"	gallons
6 - Inch	\$ "	"	gallons

XIX NUMBER OF NEW WATER USERS

N/A

Residential (In Town) *

Residential/Farmers (Out of Town) *

Non-Residential/Commercial (In Town)

Non-Residential/Commercial (Out-of-Town)

Total

Number to Total Potential Users Living in the Service Area

* **Note: Residential/Farmer Users: Classify by type of user regardless of quantity of water used. This classification should include those meters serving individual rural residences and farmers.**

XX PROPOSED WATER CONNECTION FEES FOR EACH SIZE METER CONNECTION.

Meter Size	Connection Fee	Minimum Water Usage for Each Size Meter
5/8" x 3/4"	\$	gallons
1 - Inch	\$	gallons
1-1/2 - Inch	\$	gallons
2 - Inch	\$	gallons
3 - Inch	\$	gallons
4 - Inch	\$	gallons
5 - Inch	\$	gallons
6 - Inch	\$	gallons

XXI. SEWER RATES - PROPOSED

A. Proposed Rate Schedule without FmHA Grant:

Percentage of water bill _____%. Minimum Charge \$ 14.54

Other (If charge not based on water bill) _____

Proposed Rate Schedule: (Without FmHA Grant)

First	<u>2,000</u>	Gallons @	\$ <u>14.54</u>	Minimum
Next	<u>2,000</u>	Gallons @	\$ <u>7.27</u>	per 1,000 gallons.
Next	<u>2,000</u>	Gallons @	\$ <u>7.27</u>	per 1,000 gallons.
Next	<u>4,000</u>	Gallons @	\$ <u>7.27</u>	per 1,000 gallons.
Next	_____	Gallons @	\$ _____	per 1,000 gallons.
Next	_____	Gallons @	\$ _____	per 1,000 gallons.
All Over	<u>10,000</u>	Gallons @	\$ <u>7.27</u>	per 1,000 gallons.

* New water customers on the Phase I Water Project will pay a surcharge of \$19.50 per month.

The above proposed rate, without FmHA Grant, must be completed for each grant. If the applicant/engineer desires, there is no objection to recommending a proposed rate with an estimated FmHA grant in the Table below. However, the preparer should remember that the Table (A) above must be completed prior to Table (B).

B. Recommended Rate Schedule with FmHA Grant: N/A

Percentage of water bill _____%. Minimum Charge \$ _____

Other (If charge not based on water bill) _____

Proposed Rate Schedule: (Without FmHA Grant)

First	_____	Gallons @	\$ _____	Minimum
Next	_____	Gallons @	\$ _____	per 1,000 gallons.
Next	_____	Gallons @	\$ _____	per 1,000 gallons.
Next	_____	Gallons @	\$ _____	per 1,000 gallons.
Next	_____	Gallons @	\$ _____	per 1,000 gallons.
Next	_____	Gallons @	\$ _____	per 1,000 gallons.
All Over	_____	Gallons @	\$ _____	per 1,000 gallons.

If more than one rate, use additional sheets.

A. Proposed Rate Schedule without FmHA Grant:

Percentage of water bill _____ % Minimum Charge \$ _____

Other (If charge not based on water bill) _____

Proposed Rate Schedule: (Without FmHA Grant)

First	_____ Gallons @	\$ _____	Minimum
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
All Over	_____ Gallons @	\$ _____	per 1,000 gallons.

The above proposed rate, without FmHA Grant, must be completed for each grant. If the applicant/engineer desires, there is no objection to recommending a proposed rate with an estimated FmHA grant in the Table below. However, the preparer should remember that the Table (A) above must be completed prior to Table (B).

B. Recommended Rate Schedule with FmHA Grant:

Percentage of water bill _____ % Minimum Charge \$ _____

Other (If charge not based on water bill) _____

Proposed Rate Schedule: (Without FmHA Grant)

First	_____ Gallons @	\$ _____	Minimum
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
Next	_____ Gallons @	\$ _____	per 1,000 gallons.
All Over	_____ Gallons @	\$ _____	per 1,000 gallons.

If more than one rate, use additional sheets.

**MALTON WATER & SEWER DISTRICT
PROPOSED CUSTOMER USAGE
JANUARY 1 THRU DECEMBER 31, 1998
SEWER- RESIDENTIAL**

EXISTING RATE STRUCTURE					
FIRST	2,000 Gallons	\$14.54	Minimum Payment		
NEXT	2,000 Gallons	7.27	Per 1000 Gallons		
NEXT	2,000 Gallons	7.27	Per 1000 Gallons		
NEXT	4,000 Gallons	7.27	Per 1000 Gallons		
OVER	10,000 Gallons	7.27	Per 1000 Gallons		

ANALYSIS OF MONTHLY WATER USAGE AND INCOME						
Monthly Water Usage		Units	Average Usage	Number of Users	Total Usage	Projected Income
	0	Gallons	0	3	0	\$43.62
0	to 2,000	Gallons	1,000	125	125,000	1,817.50
2,000	to 3,000	Gallons	2,500	102	255,000	1,853.85
3,000	to 4,000	Gallons	3,500	97	339,500	2,468.17
4,000	to 5,000	Gallons	4,500	65	292,500	2,126.48
5,000	to 6,000	Gallons	5,500	29	159,500	1,159.57
6,000	to 7,000	Gallons	6,500	27	175,500	1,275.89
7,000	to 8,000	Gallons	7,500	17	127,500	926.93
8,000	to 9,000	Gallons	8,500	6	51,000	370.77
9,000	to 10,000	Gallons	9,500	0	0	0.00
10,000	to 11,000	Gallons	10,500	4	42,000	305.34
11,000	to 12,000	Gallons	11,500	1	11,500	83.61
12,000	to 13,000	Gallons	12,500	1	12,500	90.88
13,000	to 14,000	Gallons	13,500	3	40,500	294.44
14,000	to 15,000	Gallons	14,500	1	14,500	105.42
15,000	to 16,000	Gallons	15,500	0	0	0.00
16,000	to 17,000	Gallons	16,500	0	0	0.00
17,000	to 18,000	Gallons	17,500	0	0	0.00
18,000	to 19,000	Gallons	18,500	0	0	0.00
19,000	to 20,000	Gallons	19,500	1	19,500	141.77
20,000	to 25,000	Gallons	22,500	0	0	0.00
25,000	to 30,000	Gallons	27,500	1	27,500	199.93
30,000	to 35,000	Gallons	32,500	0	0	0.00
35,000	to 40,000	Gallons	37,500	0	0	0.00
40,000	to 45,000	Gallons	42,500	0	0	0.00
45,000	to 50,000	Gallons	47,500	0	0	0.00
50,000	to 55,000	Gallons	52,500	0	0	0.00
55,000	to 60,000	Gallons	57,500	0	0	0.00
60,000	to 65,000	Gallons	62,500	0	0	0.00
65,000	to 70,000	Gallons	67,500	0	0	0.00
70,000	to 75,000	Gallons	72,500	0	0	0.00
75,000	to 100,000	Gallons	87,500	0	0	0.00
100,000	to 325,000	Gallons	212,500	0	0	0.00
325,000	to 500,000	Gallons	412,500	0	0	0.00
Monthly Totals				483	1,693,500	\$13,264.12
Annual Totals				5,796	20,322,000	\$159,169.38
Monthly Avg/Customer					3,506	\$25.49

**CLTON WATER & SEWER DISTRICT
PROPOSED CUSTOMER USAGE
JANUARY 1 THRU DECEMBER 31, 1998
SEWER- COMMERCIAL**

EXISTING RATE STRUCTURE			
FIRST	2,000 Gallons	\$14.54	Minimum Payment
NEXT	2,000 Gallons	7.27	Per 1000 Gallons
NEXT	2,000 Gallons	7.27	Per 1000 Gallons
NEXT	4,000 Gallons	7.27	Per 1000 Gallons
OVER	10,000 Gallons	7.27	Per 1000 Gallons

ANALYSIS OF MONTHLY WATER USAGE AND INCOME					
Monthly Water Usage	Units	Average Usage	Number of Users	Total Usage	Projected Income
0	Gallons	0	3	0	\$43.62
0 to 2,000	Gallons	1,000	10	10,000	145.40
2,000 to 3,000	Gallons	2,500	1	2,500	18.18
3,000 to 4,000	Gallons	3,500	1	3,500	25.45
4,000 to 5,000	Gallons	4,500	0	0	0.00
5,000 to 6,000	Gallons	5,500	1	5,500	39.99
6,000 to 7,000	Gallons	6,500	1	6,500	47.26
7,000 to 8,000	Gallons	7,500	2	15,000	109.05
8,000 to 9,000	Gallons	8,500	0	0	0.00
9,000 to 10,000	Gallons	9,500	0	0	0.00
10,000 to 11,000	Gallons	10,500	1	10,500	76.34
11,000 to 12,000	Gallons	11,500	0	0	0.00
12,000 to 13,000	Gallons	12,500	0	0	0.00
13,000 to 14,000	Gallons	13,500	0	0	0.00
14,000 to 15,000	Gallons	14,500	0	0	0.00
15,000 to 16,000	Gallons	15,500	0	0	0.00
16,000 to 17,000	Gallons	16,500	0	0	0.00
17,000 to 18,000	Gallons	17,500	0	0	0.00
18,000 to 19,000	Gallons	18,500	0	0	0.00
19,000 to 20,000	Gallons	19,500	0	0	0.00
20,000 to 25,000	Gallons	22,500	0	0	0.00
25,000 to 30,000	Gallons	27,500	0	0	0.00
30,000 to 35,000	Gallons	32,500	0	0	0.00
35,000 to 40,000	Gallons	37,500	1	37,500	272.63
40,000 to 50,000	Gallons	45,000	0	0	0.00
50,000 to 60,000	Gallons	55,000	0	0	0.00
60,000 to 70,000	Gallons	65,000	0	0	0.00
70,000 to 75,000	Gallons	72,500	0	0	0.00
75,000 to 100,000	Gallons	87,500	0	0	0.00
100,000 to 200,000	Gallons	150,000	0	0	0.00
200,000 to 300,000	Gallons	250,000	1	250,000	1,817.50
300,000 to 400,000	Gallons	350,000	0	0	0.00
400,000 to 500,000	Gallons	450,000	1	450,000	3,271.50
500,000 to 600,000	Gallons	550,000	0	0	0.00
600,000 to 700,000	Gallons	650,000	0	0	0.00
Monthly Totals			23	791,000	\$5,866.89
Annual Totals			276	9,492,000	\$70,402.68
Monthly Avg/Customer				34,391	\$250.02

**ALTON WATER & SEWER DISTRICT
PROPOSED CUSTOMER USAGE
JANUARY 1 THRU DECEMBER 31, 1998
WATER- RESIDENTIAL**

EXISTING RATE STRUCTURE				
FIRST	2,000	Gallons	\$11.80	Minimum Payment
NEXT	2,000	Gallons	4.95	Per 1000 Gallons
NEXT	2,000	Gallons	4.20	Per 1000 Gallons
NEXT	4,000	Gallons	3.40	Per 1000 Gallons
OVER	10,000	Gallons	2.80	Per 1000 Gallons

ANALYSIS OF MONTHLY WATER USAGE AND INCOME						
Monthly Water Usage		Units	Average Usage	Number of Users	Total Usage	Projected Income
	0	Gallons	0	6	0	\$70.80
0	to 2,000	Gallons	1,000	158	158,000	1,864.40
2,000	to 3,000	Gallons	2,500	135	337,500	1,927.13
3,000	to 4,000	Gallons	3,500	128	448,000	2,460.80
4,000	to 5,000	Gallons	4,500	104	468,000	2,475.20
5,000	to 6,000	Gallons	5,500	44	242,000	1,232.00
6,000	to 7,000	Gallons	6,500	40	260,000	1,272.00
7,000	to 8,000	Gallons	7,500	23	172,500	809.60
8,000	to 9,000	Gallons	8,500	9	76,500	347.40
9,000	to 10,000	Gallons	9,500	4	38,000	168.00
10,000	to 11,000	Gallons	10,500	8	84,000	360.80
11,000	to 12,000	Gallons	11,500	4	46,000	191.60
12,000	to 13,000	Gallons	12,500	1	12,500	50.70
13,000	to 14,000	Gallons	13,500	5	67,500	267.50
14,000	to 15,000	Gallons	14,500	2	29,000	112.60
15,000	to 16,000	Gallons	15,500	2	31,000	118.20
16,000	to 17,000	Gallons	16,500	2	33,000	123.80
17,000	to 18,000	Gallons	17,500	0	0	0.00
18,000	to 19,000	Gallons	18,500	0	0	0.00
19,000	to 20,000	Gallons	19,500	1	19,500	70.30
20,000	to 25,000	Gallons	22,500	1	22,500	78.70
25,000	to 30,000	Gallons	27,500	1	27,500	92.70
30,000	to 35,000	Gallons	32,500	1	32,500	106.70
35,000	to 40,000	Gallons	37,500	0	0	0.00
40,000	to 45,000	Gallons	42,500	1	42,500	134.70
45,000	to 50,000	Gallons	47,500	1	47,500	148.70
50,000	to 55,000	Gallons	52,500	0	0	0.00
55,000	to 60,000	Gallons	57,500	0	0	0.00
60,000	to 65,000	Gallons	62,500	0	0	0.00
65,000	to 70,000	Gallons	67,500	0	0	0.00
70,000	to 75,000	Gallons	72,500	0	0	0.00
75,000	to 100,000	Gallons	87,500	0	0	0.00
100,000	to 325,000	Gallons	212,500	0	0	0.00
325,000	to 500,000	Gallons	412,500	0	0	0.00
Monthly Totals				681	2,695,500	\$14,484.33
Annual Totals				8,172	32,346,000	\$173,811.90
Monthly Avg/Customer				3,958	3,958	\$21.49

PROPOSED OPERATING BUDGET - (SEWER SYSTEM) - EXISTING SYSTEM ONLY

(1st Full Year of Operation)

Year Ending

1996

A. Operating Income

Sewer Revenue	<u>\$165,806 (1)</u>
Late Charge Fees	<u> </u>
Other (Describe)	
Less Allowances and Deductions	<u>()</u>
Total Operating Income	<u>\$165,806</u>

B. Operation and Maintenance Expenses:

(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)

Operation Expense	<u>\$73,079</u>
Maintenance Expense	<u>49,631</u>
Customer Accounts Expense	<u>7,243</u>
Administrative and General Expense	<u>35,209</u>
Total Operating and Maintenance Expenses	<u>\$165,162 (2)</u>

Net Operating Income	<u>\$644</u>
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C. Non-Operating Income:

Interest on Deposits	<u> </u>
Other (Identify)	<u> </u>
Total Non-Operating Income	<u>\$0</u>

D. Net Income

\$644

E. Debt Repayment:

FmHA Interest	<u>\$29,800</u>
FmHA Principal	<u>4,600</u>
Non-FmHA Interest	<u>3,800</u>
Non-FmHA Principal	<u> </u>
Total Debt Repayment	<u>\$38,200</u>

F. Balance Available for Coverage and Depreciation

(\$37,556)

(1) From User Analysis

(2) Taken from Audit Year End 12/31/96

PROPOSED OPERATING BUDGET - (WATER SYSTEM) - EXISTING SYSTEM ONLY

(1st Full Year of Operation)

Year Ending

1996

A. Operating Income

Water Revenue	<u>\$161,935 (1)</u>
Late Charge Fees	<u> </u>
Other (Describe)	
Less Allowances and Deductions	<u>()</u>
Total Operating Income	<u>\$161,935</u>

B. Operation and Maintenance Expenses:

(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)

Source of Supply Expense	<u>\$46,471</u>
Pumping Expense	<u>12,854</u>
Water Treatment Expense	<u>682</u>
Transmission and Distribution Expense	<u>11,646</u>
Customer Accounts Expense	<u>10,580</u>
Administrative and General Expense	<u>52,802</u>

Total Operating and Maintenance Expenses \$135,035 (2)

Net Operating Income \$26,900

C. Non-Operating Income:

Interest on Deposits	<u>\$706</u>
Other (Identify)	<u> </u>
Total Non-Operating Income	<u>\$706</u>

D. Net Income \$27,606

E. Debt Repayment:

FmHA Interest	<u>\$900</u>
FmHA Principal	<u>5,250</u>
Non-FmHA Interest	<u> </u>
Non-FmHA Principal	<u> </u>
Total Debt Repayment	<u>\$6,150</u>

F. Balance Available for Coverage and Depreciation \$ 21,456

(1) From User Analysis

(2) Taken from Audit Year End 12/31/96

(21)

XXX PROPOSED OPERATING BUDGET - (WATER SYSTEM) - NEW USERS

Extension Only (1st Full Year of Operation) Year Ending 1998

A. Operating Income

Water Revenue	<u>\$311,347</u>
Late Charge Fees	<u> </u>
Other (Describe) Less Allowances and Deductions	<u>()</u>
Total Operating Income	<u>\$311,347</u>

B. Operation and Maintenance Expenses:
(Based on Uniform System of Accounts prescribed by National Association of Regulatory Utility Commissioners)

Source of Supply Expense	<u>\$59,836</u>
Pumping Expense	<u>20,000</u>
Water Treatment Expense	<u>800</u>
Transmission and Distribution Expense	<u>20,000</u>
Customer Accounts Expense	<u>15,000</u>
Administrative and General Expense	<u>60,000</u>
Total Operating and Maintenance Expenses	<u>\$175,636</u>
Net Operating Income	<u>\$135,711</u>

C. Non-Operating Income:

Interest on Deposits	<u>\$800</u>
Other (Identify)	<u> </u>
Total Non-Operating Income	<u>\$800</u>

D. Net Income \$136,511

E. Debt Repayment:

FmHA Interest	<u>\$54,500</u>
FmHA Principal	<u>6,000</u>
Non-FmHA Interest	<u> </u>
Non-FmHA Principal	<u> </u>
Total Debt Repayment	<u>\$60,500</u>

F. Balance Available for Coverage and Depreciation \$76,011

(1) From User Analysis Forecast

XXXI ESTIMATED PROJECT COST -

N/A

SEWER

COLLECTION

TREATMENT

(ROUND TO THE NEAREST \$100)

	EPA ELIGIBLE	Non-EPA ELIGIBLE	EPA ELIGIBLE	Non-EPA ELIGIBLE	TOTAL
Development	\$	\$	\$	\$	\$
Land and Rights					
Legal					
Engineering					
Interest					
Contingencies					
Initial O & M					
Other					
TOTAL	\$	\$	\$	\$	\$

XXXII PROPOSED PROJECT FUNDING - SEWER

(ROUND TO THE NEAREST \$100)

Applicant - User Contribution Fees	\$	\$	\$	\$	\$
Other - Applicant Contribution					
FmHA Financial Assistance					
Other (Specify)					
Other (Specify)					
Other (Specify)					
Other (Specify)					
TOTAL	\$	\$	\$	\$	\$

XXXII ESTIMATED PROJECT COST - WATER

Development	<u>\$301,000</u>
Land and Rights	<u>\$4,000</u>
Legal	<u>\$7,700</u>
Engineering	<u>\$58,300</u>
Interest	<u>\$15,000</u>
Contingencies	<u>\$30,000</u>
Initial Operating and Maintenance	<u> </u>
Other <u>Facilities Plan Update</u>	<u>\$20,000</u>
TOTAL	<u><u>\$436,000</u></u>

xxxiv. PROPOSED PROJECT FUNDING - WATER

Applicant - User Contribution Fees	<u> </u>
Other - Applicant Contribution	<u> </u>
FmHA Financial Assistance	<u>\$436,000</u>
Other (Specify)	<u> </u>
TOTAL	<u><u>\$436,000</u></u>